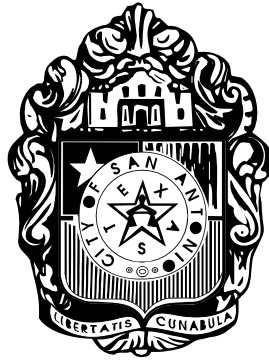


**CITY OF SAN ANTONIO, TEXAS**



**Continuing Disclosure of  
Financial and Operating Data Information  
(Pursuant to S.E.C. Rule 15c2-12)**

**March 31, 2008**

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# **CITY OF SAN ANTONIO, TEXAS**

## **Continuing Disclosure Information**

### **INTRODUCTION**

This report is filed in compliance with Securities and Exchange Commission (“SEC”) Continuing Disclosure of Financial and Operating Data Information pursuant to Rule 15c2-12 and pursuant to the ordinances authorizing the issuance of obligations by the City of San Antonio, Texas (the “City”) since July 3, 1995. The obligations are described in the City’s offering documents. This report is provided solely to comply with the City’s commitment to provide updated annual financial and operating data information, is not made in connection with a purchase or sale of obligations, and accordingly is not intended to contain all information material to a decision to purchase or sell obligations provided, however, the City incorporates by reference its Final Official Statements, dated November 29, 2007, that was filed with the Municipal Securities Rulemaking Board with respect to obligations designated as “City of San Antonio, Texas General Improvement and Refunding Bonds, Series 2007”, in the original principal amount of \$121,220,000 and “City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2007”, in the original principal amount of \$106,755,000; “City of San Antonio, Texas Tax Notes, Series 2007A”, in the original principal amount of \$21,270,000; and “City of San Antonio, Texas Airport System Revenue Improvement Bonds, Series 2007 (AMT)”, in the original principal amount of \$82,400,000 and “City of San Antonio, Texas Passenger Facility Charge and Subordinate Lien Airport System Revenue Improvement Bonds, Series 2007 (AMT)”, in the original principal amount of \$74,860,000.

Any terms used herein that are not defined or may be in conflict with a term in the offering documents shall have the meanings ascribed to them in the City’s offering documents.

### **UNAUDITED FINANCIAL STATEMENTS**

As permitted by the Rule 15c2-12, unaudited financial statements of the City for its fiscal year ending September 30, 2007 are attached hereto. The City of San Antonio, Texas Comprehensive Annual Financial Report (“CAFR”) for the fiscal year ended September 30, 2007, will be submitted as a separate enclosure through DisclosureUSA to each Nationally Recognized Municipal Securities Information Repository (“NRMSIR”) and the State of Texas State Information Depository (“SID”) when it is finalized and approved. The City anticipates that the CAFR will be approved on or about May 30, 2008.

### **BONDS AND CERTIFICATES OF OBLIGATION ISSUED FROM APRIL 1, 2007 THROUGH MARCH 31, 2008**

On November 29, 2007, the City sold \$121,220,000 “City of San Antonio, Texas General Improvement and Refunding Bonds, Series 2007,” (the “2007 Bonds”) and \$106,755,000 “City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2007,” (the “2007 Certificates”). The 2007 Bonds were issued to provide funds to finance the construction of general improvements to the City. In addition, the City refunded \$60,000,000 Tax Notes, Series 2007. The 2007 Bonds represent the first installment of the \$550,000,000 bonds approved at an election held in the City on May 12, 2007. The 2007 Certificates were issued for the purpose of providing funds for the payment of contractual obligations to be incurred for making permanent public improvements and for other public purposes. The 2007 Bonds and the 2007 Certificates were delivered on December 18, 2007.

On November 29, 2007, the City sold \$21,270,000 “City of San Antonio, Texas Tax Notes, Series 2007A” (the “2007A Notes”). The 2007A Notes were issued to provide funds to finance the cost of technology improvements to various City owned systems. The 2007A Notes were delivered on December 18, 2007.

On November 29, 2007, the City sold \$82,400,000 “City of San Antonio, Texas Airport System Revenue Improvement Bonds, Series 2007 (AMT)” (the “GAR Bonds”) and \$74,860,000 “City of San Antonio, Texas Passenger Facility Charge and Subordinate Lien Airport System Revenue Improvement Bonds, Series 2007 (AMT)” (the “PFC Bonds”). The GAR Bonds and the PFC Bonds were sold for the purpose of paying costs related to constructing, improving,

renovating, enlarging and equipping the Airport. The GAR Bonds and the PFC Bonds were delivered on December 19, 2007.

The obligations the City has sold and are currently outstanding since July 3, 1995 are listed on the following table.

**OUTSTANDING OBLIGATIONS ISSUED SINCE JULY 3, 1995**

Sale Date	Bond Issue
March 14, 1996	\$182,012,481 City of San Antonio, Texas Hotel Occupancy Tax Revenue Bonds, Series 1996
November 21, 1996	\$82,730,000 City of San Antonio, Texas General Improvement and Refunding Bonds, Series 1996A
November 21, 1996	\$53,950,000 City of San Antonio, Texas General Improvement Forward Refunding Bonds, Series 1998
April 9, 1998	\$30,855,000 City of San Antonio, Texas General Improvement and Refunding Bonds, Series 1998
April 9, 1998	\$4,315,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 1998
December 10, 1998	\$49,110,000 City of San Antonio, Texas General Improvement and Refunding Bonds, Series 1998A
December 10, 1998	\$36,535,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 1998A
December 10, 1998	\$27,565,000 City of San Antonio, Texas General Improvement Forward Bonds, Series 2000
December 10, 1998	\$8,490,000 City of San Antonio, Texas Combination Tax and Revenue Forward Certificates of Obligation, Series 2000
October 28, 1999	\$12,000,000 City of San Antonio, Texas General Improvement Bonds, Series 1999
October 28, 1999	\$4,230,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 1999
April 13, 2000	\$24,845,000 City of San Antonio, Texas Parking System Revenue Bonds, Series 2000
November 30, 2000	\$15,615,000 City of San Antonio, Texas General Improvement Bonds, Series 2000A
November 30, 2000	\$8,810,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2000A
November 30, 2000	\$1,755,000 City of San Antonio, Texas Taxable Combination Tax and Revenue Certificates of Obligation, Series 2000B
November 30, 2000	\$6,415,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2000C ("Houston Street Redevelopment Project")
May 17, 2001	\$50,230,000 City of San Antonio, Texas Airport System Forward Refunding Revenue Bonds, Series 2003
May 30, 2001	\$14,465,000 City of San Antonio, Texas Municipal Facilities Corporation Lease Revenue Bonds, Series 2001
August 30, 2001	\$17,795,000 City of San Antonio, Texas Airport System Improvement Revenue Bonds, Series 2001 (AMT)
November 8, 2001	\$84,945,000 City of San Antonio, Texas General Improvement and Refunding Bonds, Series 2001
November 8, 2001	\$65,195,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2001

(Table continues on next page.)

# **OUTSTANDING OBLIGATIONS ISSUED SINCE JULY 3, 1995**

<u>Sale Date</u>	<u>Bond Issue</u>
November 8, 2001	\$251,280,000 City of San Antonio, Texas General Improvement Forward Refunding Bonds, Series 2002
March 4, 2002	\$92,470,000 City of San Antonio, Texas Airport System Revenue Improvement Bonds, Series 2002
March 4, 2002	\$37,575,000 City of San Antonio, Texas Passenger Facility Charge and Subordinate Lien Airport System Revenue Improvement Bonds, Series 2002
November 21, 2002	\$55,850,000 City of San Antonio, Texas General Improvement and Refunding Bonds, Series 2002
November 21, 2002	\$69,930,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2002
March 20, 2003	\$40,905,000 City of San Antonio, Texas General Improvement Refunding Bonds, Series 2003
March 20, 2003	\$3,255,000 City of San Antonio, Texas Airport System Revenue Refunding Bonds, Series 2003B (AMT)
March 25, 2003	\$50,230,000 City of San Antonio, Texas Airport System Forward Refunding Bonds, Series 2003
May 1, 2003	\$44,150,000 City of San Antonio, Texas, Municipal Drainage Utility System Revenue Bonds, Series 2003
June 12, 2003	\$24,685,000 City of San Antonio, Texas, Starbright Industrial Development Corporation Contract Revenue Bonds, Series 2003 (Taxable)
June 19, 2003	\$56,515,000 City of San Antonio, Texas General Improvement Refunding Bonds, Series 2003A
March 18, 2004	\$33,570,000 City of San Antonio, Texas General Improvement Bonds, Series 2004
March 18, 2004	\$29,525,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2004
March 18, 2004	\$13,245,000 City of San Antonio, Texas Taxable General Improvement Refunding Bonds, Series 2004
June 3, 2004	\$10,390,000 City of San Antonio, Texas Hotel Occupancy Tax Subordinate Lien Revenue Refunding Bonds, Series 2004A
June 23, 2004	\$111,425,000 City of San Antonio, Texas Hotel Occupancy Tax Subordinate Lien Revenue and Refunding Bonds, Series 2004B
December 2, 2004	\$33,090,000 City of San Antonio, Texas General Improvement Forward Refunding Bonds, Series 2006
March 24, 2005	\$61,060,000 City of San Antonio, Texas Municipal Drainage Utility System Revenue Bonds, Series 2005
March 28, 2005	\$116,170,000 City of San Antonio, Texas General Improvement and Refunding Bonds, Series 2005
March 28, 2005	\$10,535,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2005
May 2, 2005	\$38,085,000 City of San Antonio, Texas Passenger Facility Charge and Subordinate Lien Airport System Revenue Improvement Bonds, Series 2005 (AMT)
May 12, 2005	\$129,930,000 City of San Antonio, Texas Convention Center Hotel Finance Corporation Contract Revenue Empowerment Zone Bonds, Series 2005A (AMT)

(Table continues on next page.)

## OUTSTANDING OBLIGATIONS ISSUED SINCE JULY 3, 1995

<u>Sale Date</u>	<u>Bond Issue</u>
May 12, 2005	\$78,215,000 City of San Antonio, Texas Convention Center Hotel Finance Corporation Contract Revenue Bonds, Taxable Series 2005B
September 17, 2006	\$72,620,000 City of San Antonio, Texas Hotel Occupancy Tax Subordinate Lien Revenue Refunding Bonds, Series 2006
November 9, 2006	\$170,785,000 City of San Antonio, Texas General Improvement and Refunding Bonds, Series 2006
November 9, 2006	\$73,155,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2006
November 16, 2006	\$17,850,000 City of San Antonio, Texas Airport System Revenue Refunding Bonds, Series 2006 (AMT)
June 6, 2007	\$5,500,000 City of San Antonio, Texas Hotel Occupancy Tax Surplus Revenues Tax Notes, Series 2007
November 29, 2007	\$121,220,000 City of San Antonio, Texas General Improvement and Refunding Bonds, Series 2007
November 29, 2007	\$106,755,000 City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2007
November 29, 2007	\$21,270,000 City of San Antonio, Texas Tax Notes, Series 2007A
November 29, 2007	\$82,400,000 City of San Antonio, Texas Airport System Revenue Improvement Bonds, Series 2007 (AMT)
November 29, 2007	\$74,860,000 City of San Antonio, Texas Passenger Facility Charge and Subordinate Lien Airport System Revenue Improvement Bonds, Series 2007 (AMT)

\* \* \*

Reference is made to Appendix 1 for the Notices of Redemption for obligations refunded from April 1, 2007 through March 31, 2008.

The City's defeased, but outstanding obligations at March 15, 2008 were \$202,585,069.10.

## MISCELLANEOUS

The information set forth herein has been obtained from the City's records and other sources which are considered reliable. Any statement in this report which includes a matter of opinion, whether or not expressly so stated is intended as such, and not as a representation of fact. The information contained in this report is provided as of the respective dates specified herein and is subject to change without notice, and the filing of this report shall not, under any circumstances, create any implication that there has been no change in the affairs of the City or in the other matters described herein since the date as of which such information is provided.

The historical information set forth in this report is not necessarily indicative of future results or performance due to various factors, including, among others, those discussed in the City's offering documents pertaining to its outstanding obligations. These offering documents have been filed with the Municipal Securities Rulemaking Board.

In the ordinances, the City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of the obligations may seek a writ of mandamus to compel the City to comply with its agreements. See "CONTINUING DISCLOSURE OF INFORMATION" in each of these offering documents.

## PLANNED ISSUANCES

The following information on the Debt Management Plan was included in the City's Fiscal Year 2007-2008 Annual Adopted Operating Budget.

**Long-Term Debt Planning.** The City employs a comprehensive multi-year, long-term capital improvement planning program that is updated annually. Debt management is a major component of the financial planning model which incorporates projected financing needs for infrastructure development that is consistent with the City's growth while at the same time measuring and assessing the cost and timing of each debt issuance.

The assumptions utilized in the FY 2007-2008 Debt Plan include: (i) assessed valuation growth at 16.22% in fiscal year 2008, 7.00% in fiscal year 2009, decreasing 1.00% per year beginning in fiscal year 2010 and continuing through fiscal year 2011, 4.00% in fiscal year 2012, decreasing 0.50% per year beginning in fiscal year 2013 and continuing until fiscal year 2017, when a growth rate of 1.50% is reached and held constant through fiscal year 2021; (ii) tax collections at 97.5%; (iii) tax freeze for elderly and disabled (proposition 3); (iv) the adopted debt service tax rate which remains constant at 21.15 cents in fiscal years 2008 through 2024 and decreases annually from fiscal years 2025 through 2041; and (v) \$550,000,000 General Improvement Bonds authorized by the voters in the May 12, 2007 election, anticipated to be sold in \$110,000,000 increments beginning in fiscal year 2008. Based on these assumptions and the projected maximum debt service tax rate of 21.15 cents, additional estimated bond authorizations in the Fall of 2012 and the Fall of 2017 are approximately \$596,000,000 million and \$550,000,000 million respectively. In addition, the FY 2007-2008 Debt Plan includes the issuance of approximately \$300,000,000 Certificates of Obligation, which are scheduled to be sold from fiscal years 2008 through 2012 for fire station improvements, Metropolitan Planning Organization ("MPO") streets and other street projects, drainage projects, land acquisition, parks and recreation projects, municipal facility improvements, environmental services improvements, economic development, library improvements, health, and San Antonio River improvements. Additionally, the FY 2007-2008 Debt Plan includes the issuance of approximately \$26,460,000 self-supporting Certificates of Obligation to be sold in fiscal year 2008 and \$52,760,000 in short-term Tax Notes to be sold from fiscal years 2008 through 2011 to fund Brooks City-Base infrastructure improvements, time administration improvements, and information technology improvements.

**General Obligation Bonds.** The City is authorized to issue bonds payable from ad valorem taxes pursuant to the City Charter, the general laws of the State, and ordinances adopted by the City Council. Such bonds must be authorized by the voters of the City at elections held within the City. The City currently has \$550,000,000 ad valorem tax-supported debt previously approved by its voters on May 12, 2007 of which \$43,500,000 was issued as part of the \$60,000,000 Series 2007 Notes issue (described below), leaving \$506,500,000 unissued. For the fiscal year ended September 30, 2007, the City had \$667,280,000 general obligation bonds outstanding.

**Certificates of Obligation.** The City is authorized to issue certificates of obligation pursuant to the City Charter, applicable State laws, and ordinances adopted by the City Council. Certificates of Obligation are issued for various purposes to include financing revenue producing capital improvements and for infrastructure support and development. For fiscal year ended September 30, 2007, the City had \$218,475,000 certificates of obligation outstanding, which comprised 23.10% of the total outstanding ad valorem tax-supported debt.

**Tax Notes.** The City is authorized to issue tax notes pursuant to the City Charter, applicable State laws, and ordinances adopted by the City Council. Tax Notes are issued for various purposes to include financing revenue producing capital improvements and for infrastructure support and development. For fiscal year ended September 30, 2007, the City had \$60,000,000 Tax Notes outstanding, which comprised 6.34% of the total outstanding ad valorem tax-supported debt.

**Airport System Improvement Revenue Bonds.** The Airport Master Plan Study, completed in January 1998, determined that certain capital improvements were needed to the Airport's airfield facilities in order to avoid congestion and reduce aircraft delays in the future; and the study found that the Airport's terminal gate capacity is insufficient to meet future demand. The Airport Capital Improvement Plan includes a comprehensive upgrade and expansion of airport facilities to include several runway and taxiway projects; and the construction of two new terminal concourses to replace



Terminal 2, which has outlived its useful life and will be demolished. The capital improvement plan incorporates approximately \$609,047,260 construction program to be completed over a six year period. The anticipated sources of funding for the capital improvement plan include a combination of general airport revenue bonds, bonds to be paid from the receipt of a passenger facility charge, passenger facility charge revenues used on a current basis, and grants and funds produced from operations.

***Debt Limitation.*** No direct funded debt limitation is imposed on the City under current Texas law, however, the City Charter provides that the total bonded debt of the City must never exceed ten percent (10%) of the total assessed valuation of property shown by the last assessment roll, exclusive of (1) any indebtedness secured in whole or in part by special assessments; (2) the bonded debt of any improvement district; and (3) any indebtedness secured by revenues, other than taxes of the City or of any department or agency thereof. In addition, Article XI, Section 5 of the Texas Constitution is applicable to the City and limits its maximum ad valorem tax rate to \$2.50 per \$100 assessed valuation for all City purposes. The City operates under a City Charter that adopts this constitutional provision. The Texas Attorney General has adopted an administrative policy that prohibits the issuance of debt by a municipality, such as the City, if its issuance produces debt service requirements exceeding that which can be paid from \$1.50 of the foregoing \$2.50 maximum tax rate calculated at ninety percent (90%) collection. There is no limitation within the \$2.50 for interest and sinking fund purposes. The total net taxable assessed valuation for the fiscal year ending September 30, 2007 was \$65,995,832,070, which provides a debt ceiling of \$6,599,583,207.

***Ad Valorem Tax Rate.*** The ad valorem tax rate approved by City ordinance for the fiscal year ended September 30, 2007, was \$0.57854 per \$100 assessed valuation, of which the debt service component is \$0.21150 and the maintenance and operation portion is \$0.36704.

***Ratings.*** Strict adherence to conservative financial management has allowed the City to meet its financing needs while at the same time maintaining its “AA+,” “Aa1,” and “AA+” general obligation bond ratings by Fitch Ratings (“Fitch”), Moody’s Investors Service, Inc. (“Moody’s”), and Standard & Poor’s Ratings Services, a Division of the McGraw-Hill Companies, Inc. (“S&P”), respectively. The positive trend in the City’s credit strength is evidenced by the Moody’s rating upgrade in November 2007 from “Aa2” to its current “Aa1.”

\* \* \*

## GENERAL OBLIGATION DEBT

### Debt Statement: Assessed Valuation, Outstanding Debt Payable from Ad Valorem Taxes and Debt Ratios

#### Assessed Valuation <sup>1</sup>

#### Table 1A

Tax Year 2007 Actual Market Value of Taxable Property		\$76,269,611,385
Less: Residence Homestead Exemptions - Optional 65 or Older	\$ 4,134,993,420	
Residence Homestead Exemptions - Disabled	121,197,697	
Disabled/Deceased Veterans' Exemptions	187,319,906	
Historical Property Exemptions	33,109,969	
Freeport Goods Exemptions	517,163,083	
Tax Abatement/Phase-In Exemptions	464,620,243	
Residence Homestead Appraised Value 10% Limitations	950,082,037	
Agricultural Productivity Loss	515,959,868	
Pollution Control Exemptions	62,760,278	
Community Housing Development Organization Exemptions	50,497,511	
Energy Exemptions	35,452,234	
Absolute Exemptions	3,193,016,866	
Absolute Pro-Rated Exemptions	7,606,203	
Total Exemptions	\$10,273,779,315	
Tax Year 2007 Net Taxable Assessed Valuation (100% of Actual Market) <sup>2</sup>		<u>\$65,995,832,070</u>

<sup>1</sup> See "AD VALOREM TAXATION" herein for a description of the City's taxation procedures. Based on Tax Year 2007 Net Taxable Assessed Valuation certified by the Bexar Appraisal District as of July 21, 2007.

<sup>2</sup> The City anticipates that the taxable assessed value of real property subject to the over-65 and disabled homeowners tax freeze (see "AD VALOREM TAXATION – Residence Homestead Exemptions") totals approximately \$845,866,683, resulting in a fiscal year 2008 loss in ad valorem tax revenue of approximately \$4,840,895.

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**Debt Payable from Ad Valorem Taxes and Debt Ratios****Table 1B****The Outstanding Ad Valorem Tax Debt (at 9/30/07)**

General Obligation Bonds	\$ 667,280,000
Combination Tax and Revenue Certificates of Obligation	218,185,000
Taxable Combination Tax and Revenue Certificates of Obligation	290,000
Tax Notes	60,000,000
<b>Total Gross Outstanding Ad Valorem Tax Debt (at 9/30/07)</b>	<b>\$ 945,755,000</b>

**Less: The Refunded Obligations** \$ 60,000,000

**The 2007 Obligations** \$ 227,975,000

**The 2007A Notes** \$21,270,000

**Total Gross Outstanding Ad Valorem Tax Debt** \$ 1,135,000,000

*Less: Self-Supporting Debt (at 9/30/07) <sup>1</sup>* 360,000

**Total Net Debt Payable from Ad Valorem Taxes** \$ 1,134,640,000

Interest and Sinking Fund Balance at 9/30/07\* \$ 76,098,095

Ratio of Gross Debt to Actual Market Value <sup>2</sup> 1.49%

Ratio of Gross Debt to Net Taxable Assessed Value <sup>2</sup> 1.72%

Ratio of Net Debt to Actual Market Value <sup>2</sup> 1.49%

Ratio of Net Debt to Net Taxable Assessed Value <sup>2</sup> 1.72%

Tax Year 2007 Actual Market Value of Taxable Property <sup>2</sup> \$76,269,611,385

Tax Year 2007 Net Taxable Assessed Valuation (100% of Actual Market)<sup>2</sup> \$65,995,832,070

Per Capita 2007 Net Taxable Assessed Valuation <sup>2,3</sup> \$49,993

Per Capita Gross Debt <sup>3</sup> \$860

Per Capita Net Debt <sup>3</sup> \$860

\* Unaudited.

<sup>1</sup> To maintain this debt as self-supporting, payments will be made from the Hotel/Motel Occupancy Tax.

<sup>2</sup> Based on Tax Year 2007 Net Taxable Assessed Valuation certified by the Bexar Appraisal District as of July 21, 2007. See "AD VALOREM TAXATION" for a description of the City's taxation procedures, including determination of net assessed valuation.

<sup>3</sup> Based on the City's Department of Planning and Community Development estimated population of 1,320,100 as of March 1, 2007.

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# Outstanding Principal and Interest Requirements

Table 2

Fiscal Year	Existing Debt Service	Refunded Obligations Debt Service	The 2007A Tax Notes			The 2007 Bonds			The 2007 Certificates			Total Debt Service Requirements
			Principal	Interest	Annual Debt Service	Principal	Interest	Annual Debt Service	Principal	Interest	Annual Debt Service	
2008	\$120,760,040	\$2,787,070	\$ 3,345,000	\$ 687,675	\$ 4,032,675	\$ 4,155,000	\$ 4,364,438	\$ 8,519,438	\$ 12,630,000	\$ 3,662,531	\$ 16,292,531	\$ 146,817,614
2009	117,824,680	2,338,800	4,210,000	783,100	4,993,100	3,700,000	5,653,050	9,353,050	6,765,000	4,378,175	11,143,175	140,975,205
2010	177,227,511	62,338,800	4,380,000	614,700	4,994,700	3,840,000	5,505,050	9,345,050	6,200,000	4,107,575	10,307,575	139,536,036
2011	115,108,843		4,555,000	439,500	4,994,500	3,995,000	5,351,450	9,346,450	6,665,000	3,859,575	10,524,575	139,974,368
2012	92,959,218		4,780,000	211,750	4,991,750	4,160,000	5,191,650	9,351,650	7,220,000	3,526,325	10,746,325	118,048,943
2013	94,186,461					4,325,000	5,025,250	9,350,250	7,730,000	3,237,525	10,967,525	114,504,236
2014	77,493,278					4,500,000	4,852,250	9,352,250	8,260,000	2,928,325	11,188,325	98,033,853
2015	59,421,179					4,720,000	4,627,250	9,347,250	12,890,000	2,515,325	15,405,325	84,173,754
2016	55,139,223					4,960,000	4,391,250	9,351,250	2,185,000	1,870,825	4,055,825	68,546,298
2017	50,462,315					5,210,000	4,143,250	9,353,250	2,300,000	1,761,575	4,061,575	63,877,140
2018	50,456,249					5,470,000	3,882,750	9,352,750	2,390,000	1,669,575	4,059,575	63,868,574
2019	48,614,298					5,735,000	3,609,250	9,344,250	2,505,000	1,550,075	4,055,075	62,013,623
2020	45,273,508					6,030,000	3,322,500	9,352,500	2,635,000	1,424,825	4,059,825	58,685,833
2021	40,289,521					6,330,000	3,021,000	9,351,000	2,765,000	1,293,075	4,058,075	53,698,596
2022	37,978,436					6,640,000	2,704,500	9,344,500	2,905,000	1,154,825	4,059,825	51,382,761
2023	26,645,063					6,975,000	2,372,500	9,347,500	3,045,000	1,014,825	4,059,825	40,052,388
2024	19,339,013					7,325,000	2,023,750	9,348,750	3,200,000	862,575	4,062,575	32,750,338
2025	15,110,919					7,695,000	1,657,500	9,352,500	3,355,000	702,575	4,057,575	28,520,994
2026	10,989,000					8,070,000	1,272,750	9,342,750	3,525,000	534,825	4,059,825	24,391,575
2027						8,480,000	869,250	9,349,250	3,700,000	358,575	4,058,575	13,407,825
2028						8,905,000	445,250	9,350,250	3,885,000	174,825	4,059,825	13,410,075
	\$1,255,278,755	\$67,464,670	\$21,270,000	\$2,736,725	\$24,006,725	\$121,220,000	\$74,285,888	\$195,505,888	\$106,755,000	\$ 42,588,331	\$149,343,331	\$1,556,670,029

**Tax Adequacy****Table 3**

2007 Net Taxable Assessed Valuation <sup>1</sup>	\$65,995,832,070
Maximum Annual Debt Service Requirements, Fiscal Year Ended 2008	\$ 146,817,614
Indicated Interest and Sinking Fund Tax Rate	\$ 0.2282
Indicated Interest and Sinking Fund Tax Levy at 97.5% Collections	\$ 146,837,427

<sup>1</sup> Based on Tax Year 2007 Net Taxable Assessed Valuation certified by the Bexar Appraisal District as of July 21, 2007.

*Note: See "TAX DATA" herein.*

**Interest and Sinking Fund Management Index****Table 4**

Interest and Sinking Fund Balance, Fiscal Year Ended 2007 *	\$ 76,098,095
2007 Actual Interest and Sinking Fund Rate	0.2115
2007 Interest and Sinking Fund Tax Levy at 97.5% Collections Produces <sup>1</sup>	136,091,655
Total Available for Debt Service	\$212,189,750
 Less: Ad Valorem Debt Service Requirements, Fiscal Year Ended 2008	 \$146,817,614
Estimated Surplus at Fiscal Year Ended 2008	\$ 65,372,136

\* Unaudited.

<sup>1</sup> Does not include revenues derived from self-supporting debt operations, delinquent tax collections, penalties and interest on delinquent tax collections, or investment earnings.

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**Ad Valorem Tax Debt Principal Repayment Schedule**
**Table 5**

Fiscal Year	Currently Outstanding <sup>1</sup>	2007A Tax Notes	2007 Bonds	2007 Certificates	Combined Principal	Obligations Remaining Outstanding End of Year	Percent of Principal Retired
2008	\$ 75,765,000	\$ 3,345,000	\$ 4,155,000	\$ 12,630,000	\$ 95,895,000	\$1,039,105,000	8.45%
2009	77,210,000	4,210,000	3,700,000	6,765,000	91,885,000	947,220,000	16.54
2010	80,015,000	4,380,000	3,840,000	6,200,000	94,435,000	852,785,000	24.86
2011	84,160,000	4,555,000	3,995,000	6,665,000	99,375,000	753,410,000	33.62
2012	66,205,000	4,780,000	4,160,000	7,220,000	82,365,000	671,045,000	40.88
2013	70,930,000		4,325,000	7,730,000	82,985,000	588,060,000	48.19
2014	57,695,000		4,500,000	8,260,000	70,455,000	517,605,000	54.40
2015	42,410,000		4,720,000	12,890,000	60,020,000	457,585,000	59.68
2016	40,190,000		4,960,000	2,185,000	47,335,000	410,250,000	63.85
2017	37,495,000		5,210,000	2,300,000	45,005,000	365,245,000	67.82
2018	39,395,000		5,470,000	2,390,000	47,255,000	317,990,000	71.98
2019	39,495,000		5,735,000	2,505,000	47,735,000	270,255,000	76.19
2020	38,055,000		6,030,000	2,635,000	46,720,000	223,535,000	80.31
2021	34,875,000		6,330,000	2,765,000	43,970,000	179,565,000	84.18
2022	34,255,000		6,640,000	2,905,000	43,800,000	135,765,000	88.04
2023	24,350,000		6,975,000	3,045,000	34,370,000	101,395,000	91.07
2024	18,010,000		7,325,000	3,200,000	28,535,000	72,860,000	93.58
2025	14,445,000		7,695,000	3,355,000	25,495,000	47,365,000	95.83
2026	10,800,000		8,070,000	3,525,000	22,395,000	24,970,000	97.80
2027			8,480,000	3,700,000	12,180,000	12,790,000	98.87
2028			8,905,000	3,885,000	12,790,000	0	100.00
	<u>\$885,755,000</u>	<u>\$21,270,000</u>	<u>\$121,220,000</u>	<u>\$106,755,000</u>	<u>\$1,135,000,000</u>		

<sup>1</sup> Excludes the 2007 Tax Notes to be refunded by the 2007 Bonds.

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**Debt Obligations – Capital Leases Payable****Table 6**

The City has entered into various lease purchase agreements for the acquisition of computers, copiers, printers, fire trucks, golf operations equipment, public works equipment, a high capacity trailer, a library automation system, self-contained breathing apparatus, a hazardous materials vehicle, a mainframe computer, and electrocardiograms. Shown below is the gross value of the assets at September 30, 2007. Payments on each of the lease purchases will be made from budgeted annual appropriations to be approved by the City Council. The following is a schedule of the projected remaining future minimum lease payments under these capital leases together with the net minimum lease payments as of September 30, 2007.

Description	Lease Termination Date	Minimum Lease Payment	Amount Representing Interest	Total Minimum Lease Payments
Color Copier	12/1/2007	\$ 13,076	\$ 244	\$ 13,320
Library Automation System	5/1/2008	119,628	1,624	121,252
Stormwater Tractor Trailers	5/1/2008	63,949	868	64,817
Street Maintenance Equipment	5/1/2008	525,210	7,133	532,343
Heidelberg Printer	11/1/2008	93,004	2,385	95,389
Garbage Containers	5/1/2009	115,778	3,112	118,890
Self-Contained Breathing Apparatus	5/1/2010	654,262	30,915	685,177
Mainframe Computer System & Software	5/1/2010	829,086	39,176	868,262
One Platform Truck	8/1/2010	389,826	20,958	410,784
One Pumper Truck, Four Aerial Trucks, and One Partial Aerial Truck	2/1/2011	2,303,597	183,977	2,487,574
Five Aerial Trucks	2/1/2011	2,215,965	176,409	2,392,374
13 Electrocardiograms	5/1/2011	120,985	9,802	130,786
Refuse Collection Containers	11/1/2009	1,493,914	67,417	1,561,331
19 Pumper Trucks	11/1/2011	6,144,552	505,121	6,649,673
Library Theft Detection System	8/1/2012	999,732	97,370	1,097,102
Automated Sideload & Manual Rearload Refuse Collection Trucks	11/1/2013	<u>1,067,985</u>	<u>132,022</u>	<u>1,200,007</u>
Total		<u>\$17,150,549</u>	<u>\$1,278,533</u>	<u>\$18,429,081</u>

The adopted budget for fiscal year 2008 includes appropriations for lease purchase arrangements to acquire refuse collection trucks (diesel and compressed natural gas), refuse collection containers, hybrid vehicles, personal protective equipment, electric golf cars, and additional components of an inventory theft detection system for the City's Library Department. The funding for these lease purchase arrangements is anticipated to occur between fiscal year 2008 through 2009.

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**Tax Data****Table 7**

Tax Year	Fiscal Year Ended 9/30	Net Taxable Assessed Valuation <sup>1</sup>	Tax Rate	Tax Levy	Percent Collections Current	Percent Collected Total
1998	1999	\$31,253,551,025	\$0.57979	\$181,204,963	98.35%	99.86%
1999	2000	33,315,478,862	0.57979	193,159,815	98.14	99.84
2000	2001	36,033,321,329	0.57979	208,917,594	97.89	99.30
2001	2002	39,587,584,280	0.57854	229,030,010	97.78	99.25
2002	2003	41,535,547,008	0.57854	240,299,754	97.78	99.23
2003	2004	44,583,138,927	0.57854	257,931,292	97.96	99.58
2004	2005	46,481,974,620	0.57854	268,916,816	98.32	100.27
2005	2006	49,868,955,425	0.57854	288,511,855	98.23	99.67
2006	2007	56,767,701,702	0.57854	328,423,861	98.43	99.67
2007	2008	65,995,832,070 <sup>2</sup>	0.57230	377,694,147	In Process of Collection	

<sup>1</sup> Based on Net Taxable Assessed Valuation certified by the Bexar Appraisal District.

<sup>2</sup> Based on Tax Year 2007 Net Taxable Assessed Valuation certified by the Bexar Appraisal District as of July 21, 2007.

**Tax Rate Distribution****Table 8**

Tax Rate	Fiscal Year Ended September 30				
	2008	2007	2006	2005	2004
General Fund	\$ 0.36080	\$ 0.36704	\$ 0.36704	\$ 0.36704	\$ 0.36704
Interest and Sinking Fund	0.21150	0.21150	0.21150	0.21150	0.21150
Total Tax Rate	\$ 0.57230	\$ 0.57854	\$ 0.57854	\$ 0.57854	\$ 0.57854

**Principal Taxpayers****Table 9**

Name	Type of Property	FY 2008 Taxable Assessed Valuation	Percent of FY 2008 Taxable Assessed Valuation
HEB Grocery Company L.P.	Retail/Grocery	\$ 759,790,423	1.15%
Toyota Motor Manufacturing Texas	Automobile Manufacturer	549,999,997	0.83
AT&T, Inc.	Telecommunications	414,685,950	0.63
United Services Automobile Association	Insurance/Banking	339,970,560	0.52
Wal-Mart Stores, Inc.	Retail/Grocery	326,732,584	0.50
Marriott International, Inc.	Hotel Chain	238,204,837	0.36
Methodist Healthcare System	Hospital/Healthcare	215,374,016	0.33
Valero Energy Corporation	Oil Refiner/Retail Gas Stations	169,417,741	0.26
La Cantera Retail LTD Partnership	Shopping Center	143,694,830	0.22
Time Warner Cable, Inc.	Cable Television	139,388,300	0.21
Total		\$3,297,259,238	5.01%



**Net Taxable Assessed Valuation for Tax Years 1998-2007****Table 10**

Tax Year	Fiscal Year Ended 9/30	Net Taxable Assessed Valuation <sup>1</sup>	Change From Preceding Year	
			Amount	Percent
1998	1999	\$ 31,253,551,025	---	---
1999	2000	33,315,478,862	\$ 2,061,927,837	6.60%
2000	2001	36,033,321,329	2,717,842,467	8.16
2001	2002	39,587,584,280	3,554,262,951	9.86
2002	2003	41,535,547,008	1,947,962,728	4.92
2003	2004	44,583,138,927	3,047,591,919	7.34
2004	2005	46,481,974,620	1,898,835,693	4.26
2005	2006	49,868,955,425	3,386,980,805	7.29
2006	2007	56,767,701,702	6,898,746,277	13.83
2007	2008	65,995,832,070 <sup>2</sup>	9,228,130,368	16.26

<sup>1</sup> Based on Net Taxable Assessed Valuation certified by the Bexar Appraisal District.

<sup>2</sup> Based on Tax Year 2007 Net Taxable Assessed Valuation certified by the Bexar Appraisal District as of July 21, 2007.

**Net Taxable Assessed Valuation and Ad Valorem Tax Debt****Table 11**

Tax Year	Fiscal Year Ended 9/30	Net Taxable Assessed Valuation <sup>1</sup>	Ad Valorem Gross Debt	Debt Ratios
				Percent
1998	1999	\$ 31,253,551,025	\$ 754,958,108	2.42%
1999	2000	33,315,478,862	780,378,108	2.34
2000	2001	36,033,321,329	768,693,108	2.13
2001	2002	39,587,584,280	838,428,108	2.12
2002	2003	41,535,547,008	881,038,108	2.12
2003	2004	44,583,138,927	821,843,108	1.84
2004	2005	46,481,974,620	872,090,124	1.88
2005	2006	49,868,955,425	850,300,000	1.71
2006	2007	56,767,701,702	945,755,000	1.67
2007	2008	65,995,832,070 <sup>2</sup>	1,048,540,000	1.59

<sup>1</sup> Based on Net Taxable Assessed Valuation certified by the Bexar Appraisal District.

<sup>2</sup> Based on Tax Year 2007 Net Taxable Assessed Valuation certified by the Bexar Appraisal District as of July 21, 2007.

**Authorized but Unissued Ad Valorem Tax Debt****Table 12**

Date of Authorization	Improvements	Amount Authorized	Debt Issued To Date*	2007 Bonds	Debt Authorized But Unissued
5/12/2007	Streets, Bridges, & Sidewalks	\$306,997,413	\$5,321,214	\$22,319,786	\$279,356,413
5/12/2007	Drainage	152,051,818	2,635,528	14,057,000	135,359,290
5/12/2007	Parks, Recreation, Open Space, & Athletics	79,125,293	35,338,286	23,912,714	19,874,293
5/12/2007	Library	11,025,476	191,106	4,896,894	5,937,476
5/12/2007	Public Health Facilities	800,000	13,866	661,134	125,000
		<u>\$550,000,000</u>	<u>\$43,500,000</u>	<u>\$65,847,528</u>	<u>\$440,652,472</u>

\* Issued pursuant to City of San Antonio, Texas, Tax Notes, Series 2007, which the City will count against its voted general obligation authorization.

# Classification of Assessed Valuation

Table 13

	Fiscal Year 2008 <sup>1</sup>	% of Total	Fiscal Year 2007	% of Total	Fiscal Year 2006	% of Total	Fiscal Year 2005	% of Total	Fiscal Year 2004	% of Total
Real, Residential, Single-Family	\$39,873,249,717	52.28	\$35,144,959,261	54.04	\$30,761,632,234	54.21	\$28,522,603,105	55.04	\$26,981,363,241	54.26
Real, Residential, Multi-Family	5,127,479,668	6.72	4,294,912,847	6.60	3,795,667,205	6.69	3,111,991,529	6.00	2,984,890,416	6.00
Real, Vacant Lots/Tracts	1,344,670,349	1.76	1,135,043,103	1.75	896,748,745	1.58	1,148,225,953	2.22	1,198,802,978	2.41
Real, Acreage (Land Only)	1,116,998,237	1.46	803,694,641	1.24	606,403,394	1.07	617,964,288	1.19	638,456,965	1.28
Real, Farm and Ranch Improvements	28,774,400	0.04	22,339,164	0.03	18,599,326	0.03	13,675,489	0.02	10,930,317	0.02
Real, Commercial	15,456,843,347	20.27	13,252,063,973	20.38	11,764,992,536	20.73	10,851,533,970	20.94	10,444,949,652	21.01
Real, Industrial	652,605,622	0.86	368,008,868	0.57	354,663,906	0.63	309,271,374	0.60	296,110,000	0.60
Real, Minerals Oil and Gas	459,910	0.00	280,560	0.00	166,660	0.00	39,040	0.00	21,530	0.00
Real and Tangible Personal Utilities	538,176,744	0.71	510,688,740	0.79	528,221,546	0.93	550,530,280	1.06	568,375,000	1.14
Tangible Personal, Commercial	6,292,952,595	8.25	5,648,102,068	8.68	5,176,198,004	9.12	5,067,130,053	9.78	4,897,160,982	9.85
Tangible Personal, Industrial	1,996,904,662	2.62	1,360,918,810	2.09	1,299,607,879	2.29	1,200,010,400	2.32	1,220,050,050	2.45
Tangible Personal, Mobile Homes	97,379,318	0.13	96,542,677	0.15	96,339,510	0.17	98,392,969	0.19	102,184,758	0.21
Real Property, Inventory	237,780,339	0.31	190,393,654	0.29	198,819,688	0.35	191,479,359	0.37	142,405,282	0.29
Special Inventory Tax	317,964,474	0.42	281,066,969	0.43	252,524,270	0.44	22,990	0.00	237,410,270	0.48
Exempt Property	3,187,372,003	4.18	1,924,610,909	2.96	1,000,322,338	1.76	141,337,410	0.27	174,700	0.00
<b>Total Assessed Value</b>	<b>\$76,269,611,385</b>	<b>100.00</b>	<b>\$65,033,626,244</b>	<b>100.00</b>	<b>\$56,750,907,241</b>	<b>100.00</b>	<b>\$51,824,208,209</b>	<b>100.00</b>	<b>\$49,723,286,141</b>	<b>100.00</b>
Less:										
Residence Homestead Exemptions Optional - 65 or Older	\$4,134,993,420		\$4,110,067,258		\$3,912,184,972		\$3,817,600,447		\$3,724,266,517	
Residence Homestead Exemptions - Disabled	121,197,697		126,244,040		119,597,187		-0-		-0-	
Residence Homestead Exemptions - Pro-Rated <sup>2</sup>	-0-		-0-		-0-		-0-		25,474,801	
Disabled /Deceased Veterans' Exemptions	187,319,906		189,172,020		180,072,214		174,102,776		121,505,478	
Historical Property Exemptions	33,109,969		49,916,153		29,673,115		33,822,228		25,341,198	
Historical Preservation Area <sup>3</sup>	-0-		-0-		-0-		2,905,902		1,200,136	
Freeport Goods Exemptions	517,163,083		385,837,970		332,875,270		270,308,370		278,560,740	
Tax Abatement/Phase-In Exemptions	464,620,243		411,961,519		418,909,527		448,091,914		443,930,328	
Residence Homestead 10% Limitations	950,082,037		609,240,240		193,890,523		131,060,193		195,043,337	
Agricultural Productivity Loss	515,959,868		346,926,222		268,148,584		278,168,180		289,077,692	
Pollution Control Property Exemptions	62,760,278		9,903,790		5,675,890		-0-		-0-	
Community Housing Development Organization Exemptions	50,497,511		42,779,850		45,248,643		689,895		-0-	
Energy Exemptions	35,452,234		32,610,802		-0-		-0-		-0-	
Absolute Exemptions	3,193,016,866		1,924,485,214		1,345,024,320		150,616,496		-0-	
Absolute Pro-Rated Exemptions	7,606,203		26,779,464		30,651,571		34,867,188		35,746,987	
<b>Less: Total Exemptions</b>	<b>\$10,273,779,315</b>		<b>\$ 8,265,924,542</b>		<b>\$ 6,881,951,816</b>		<b>\$ 5,342,233,589</b>		<b>\$ 5,140,147,214</b>	
<b>Net Taxable Assessed Valuation <sup>4</sup></b>	<b>\$65,995,832,070</b>		<b>\$56,767,701,702</b>		<b>\$49,868,955,425</b>		<b>\$46,481,974,620</b>		<b>\$44,583,138,927</b>	

<sup>1</sup> Based on Tax Year 2007 Net Taxable Assessed Valuation certified by the Bexar Appraisal District as of July 21, 2007.

<sup>2</sup> Beginning in Fiscal Year 2005, State law changed allowing homeowners a full year's exemption at age 65 rather than a pro-rated exemption.

<sup>3</sup> Beginning in Fiscal Year 2006, Historical Preservation Area exemptions are combined with Historical Property Exemptions.

<sup>4</sup> Based on Net Taxable Assessed Valuation certified by the Bexar Appraisal District.

## REVENUE SOURCES AND EXPENDITURES

### Sources of Revenues

The City's General Fund revenue sources include ad valorem taxes, sales taxes, franchise taxes, contributions from City-owned utilities, fines, penalties, licenses and permits, various service charges, and miscellaneous sources.

### General Fund Comparative Statement of Revenues and Expenditures and Analysis of Changes in Fund Balances

**Table 16**

The following statements set forth in condensed form reflect the historical operations of the City. The City has prepared such summary for inclusion herein based upon information obtained from the City's Comprehensive Annual Financial Report and financial records. Reference is made to such statements for further and complete information. For additional information relating to the General Fund balance re-estimates by the City for Fiscal Year 2007, see the section captioned "General Fund Update" on the following page.

	Fiscal Year Ended September 30				
	2007*	2006	2005	2004	2003
<b>Fund Balance - Beginning of Year Revenues</b>	\$ 161,476,026	\$ 118,413,742	\$ 98,510,654	\$ 81,642,072	\$ 62,452,494
Taxes	\$430,119,975	\$399,359,902	\$367,030,243	\$343,707,952	\$320,518,083
Licenses and Permits	6,926,703	19,764,737	20,715,743	17,026,379	13,912,258
Intergovernmental	4,035,641	3,445,582	3,055,128	2,695,842	2,878,131
Revenues from Utilities	257,687,224	256,367,822	221,774,673	196,405,099	210,466,156
Charges for Services	25,220,809	35,276,831	33,622,089	30,029,118	27,283,429
Fines and Forfeits	15,114,609	10,947,472	12,025,344	11,713,073	11,282,396
Interest Earned <sup>1</sup>	6,815,240	-0-	-0-	-0-	-0-
Miscellaneous	7,491,413	13,830,931	14,286,093	10,758,387	9,810,913
<b>Total Revenues</b>	<u>\$753,411,614</u>	<u>\$738,993,277</u>	<u>\$672,509,313</u>	<u>\$612,335,850</u>	<u>\$596,151,366</u>
<b>Expenditures <sup>2</sup></b>					
General Government	\$ 79,478,809	\$ 71,139,682	\$ 66,746,538	\$ 54,214,920	\$ 53,416,465
Public Safety	436,185,403	429,051,592	404,491,342	376,925,001	361,835,168
Streets and Roadways	10,759,958	10,769,261	10,477,765	10,656,685	11,920,629
Health Services	13,109,799	12,412,664	14,378,887	13,409,924	13,814,613
Sanitation	3,007,740	2,864,299	2,582,840	2,380,287	2,515,192
Welfare	42,105,123	23,504,261	21,578,358	16,480,979	16,317,480
Culture and Recreation	69,728,940	71,938,565	63,478,741	57,918,951	59,119,473
Economic Dev. and Opportunity	3,006,859	4,067,281	4,552,704	8,043,283	5,537,792
<b>Total Expenditures</b>	<u>\$657,382,631</u>	<u>\$625,747,605</u>	<u>\$588,287,175</u>	<u>\$540,030,030</u>	<u>\$524,476,812</u>
<b>Excess of Revenues Over Expenditures</b>	<u>\$ 96,028,983</u>	<u>\$113,245,672</u>	<u>\$ 84,222,138</u>	<u>\$ 72,305,820</u>	<u>\$ 71,674,554</u>
<b>Other Financing Sources (Uses)</b>					
Operating Transfers In	\$ 16,184,611	\$ 11,466,466	\$ 14,121,847	\$ 15,348,182	\$ 13,120,941
Operating Transfers Out	<u>(126,065,403)</u>	<u>(90,280,712)</u>	<u>(86,649,587)</u>	<u>(76,440,760)</u>	<u>(70,377,939)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>\$(109,880,792)</u>	<u>\$(78,814,246)</u>	<u>\$(72,527,740)</u>	<u>\$(61,092,578)</u>	<u>\$(57,256,998)</u>
Add Encumbrances <sup>2</sup>	<u>13,713,122</u>	<u>8,630,858</u>	<u>8,208,690</u>	<u>5,655,340</u>	<u>4,772,022</u>
<b>Fund Balance - End of Year</b>	<u><u>\$161,337,339</u></u>	<u><u>\$161,476,026</u></u>	<u><u>\$118,413,742</u></u>	<u><u>\$ 98,510,654</u></u>	<u><u>\$ 81,642,072</u></u>

\*Unaudited.

<sup>1</sup> Beginning in Fiscal Year 2007, interest earned is segregated from miscellaneous revenue.

<sup>2</sup> Expenditures are reported on a budgetary basis with encumbrances added back to arrive at a "Generally Accepted Accounting Principles" fund balance.

## Collections and Equivalent Rates

Net sales tax collections and the equivalent ad valorem tax rates on fiscal year basis are as follows:

### Municipal Sales Taxes

Table 17

Fiscal Year Ended 9/30	Sales Tax Collected <sup>1</sup>	Ad Valorem Tax Levy <sup>1, 2</sup>	Percent of Ad Valorem Tax Levy	Net Taxable Assessed Valuation <sup>3</sup>	Equivalent Tax Rate
1998	\$ 118,991,708	\$ 170,587,464	69.75%	\$29,422,284,674	\$0.4044
1999	126,472,730	181,204,963	69.80	31,253,551,025	0.4047
2000	133,816,289	193,159,815	69.28	33,315,478,862	0.4017
2001	153,912,136	208,917,594	73.67	36,033,321,329	0.4271
2002	157,593,310	229,030,010	68.81	39,587,584,280	0.3981
2003	156,322,600	240,299,754	65.05	41,535,547,008	0.3764
2004	162,383,500	257,931,292	62.96	44,583,138,927	0.3642
2005	167,331,757	268,916,816	62.22	46,481,974,620	0.3600
2006	210,141,500	288,511,855	72.84	49,868,955,425	0.4214
2007*	213,244,771	326,326,395	65.35	56,767,701,702	0.3756

\* Unaudited.

<sup>1</sup> Includes the City's General Fund component of sales tax as well as the special venue sales tax beginning in fiscal year 2001 and the Advanced Transportation District Tax beginning in fiscal year 2005.

<sup>2</sup> Total Ad Valorem Tax Levy for debt service and maintenance and operations.

<sup>3</sup> Based on Net Taxable Assessed Valuation certified by the Bexar Appraisal District.

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# Comparison of Selected Sources of Revenues

Table 18

Fiscal Year Ended 9/30	Taxes <sup>1</sup>	Charges for Services	Miscellaneous	Fines and Forfeits	Licenses and Permits	Inter- Governmental	City Public Service (CPS) Electric & Gas Systems	San Antonio Water System (SAWS)	Total
1998	\$245,430,127	\$21,676,353	\$10,862,192	\$11,525,034	\$11,159,736	\$2,354,189	\$146,145,982	\$4,687,162	\$453,840,775
1999	261,392,418	21,726,181	12,705,684	11,838,121	12,164,099	2,526,778	145,170,683	4,785,430	472,309,394
2000	277,833,729	23,010,824	13,017,615	11,593,504	12,257,775	2,669,780	167,138,876	5,161,798	512,683,901
2001	291,378,953	23,211,576	14,249,362	11,116,047	12,683,156	2,865,885	182,411,012	5,528,890	543,444,881
2002	310,912,963	24,631,495	12,054,469	10,828,974	13,302,392	2,888,626	165,118,018	6,116,065	545,853,002
2003	320,518,083	27,283,429	9,810,913	11,282,396	13,912,258	2,878,131	204,016,870	6,449,286	596,151,366
2004	343,707,952	30,029,118	10,758,387	11,713,073	17,026,379	2,695,842	189,505,855	6,899,244	612,335,850
2005	367,030,243	33,622,089	14,286,093	12,025,344	20,715,743	3,055,128	213,384,307	8,390,366	672,509,313
2006	399,359,902	35,276,831	13,830,931	10,947,472	19,764,737	3,445,582	246,084,171 <sup>2</sup>	10,283,651	738,993,277
2007*	430,119,975	25,220,809	14,306,653	15,114,609	6,926,703 <sup>3</sup>	4,035,641	248,539,890 <sup>4</sup>	9,147,334	753,411,614

\* Unaudited.

<sup>1</sup> Comprised of property, sales, alcoholic beverage, business taxes, penalties, and interest and judgments; excludes hotel/motel occupancy tax.

<sup>2</sup> Includes an additional transfer of \$8,438,363.

<sup>3</sup> Beginning in fiscal year 2007, Planning and Development Services revenues are no longer included in the general fund and are now a special revenue fund.

<sup>4</sup> Includes an additional transfer of \$8,294,548.

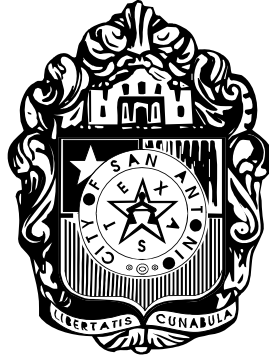
**Expenditures for Selected Functions <sup>1</sup>****Table 19**

Fiscal Year Ended 9/30	General Government	Public Safety	Streets and Roadways	Health Services	Sanitation	Welfare	Culture and Recreation	Economic Development & Opportunity	Total
1998	\$44,617,078	\$267,566,794	\$9,162,860	\$10,753,132	\$2,780,539	\$10,232,506	\$42,809,012	\$4,783,117	\$392,705,038
1999	49,438,915	289,777,427	9,467,167	11,277,893	2,399,358	11,407,269	48,025,859	5,189,929	426,983,817
2000	55,180,174	305,859,236	9,909,813	12,299,792	2,600,995	12,857,131	52,938,397	5,864,158	457,509,696
2001	68,364,225	326,227,746	9,804,123	13,401,383	2,754,077	16,464,593	58,137,342	6,394,692	501,548,181
2002	56,154,675	350,755,902	10,179,816	13,933,748	2,653,746	16,991,511	59,454,085	7,330,135	517,453,618
2003	52,283,057	361,305,240	11,855,629	13,689,587	2,513,841	15,763,551	58,917,420	5,368,634	521,696,959
2004	53,456,752	375,315,914	10,656,685	13,383,921	2,380,287	15,920,832	57,072,648	7,687,550	535,874,589
2005	64,019,958	402,544,348	10,477,732	13,994,642	2,576,616	19,757,168	63,010,213	4,391,706	580,772,383
2006	66,956,066	427,598,173	10,769,231	12,032,617	2,857,185	21,738,552	71,495,663	3,973,352	617,420,839
2007*	73,349,967	435,273,491	10,759,928	12,927,741	2,823,782	38,654,481	68,900,503	2,951,545	645,641,438

\*Unaudited.

<sup>1</sup> Expenditures for selected functions do not include encumbrances.

# **CITY OF SAN ANTONIO, TEXAS**



## **Airport System**

**\$17,795,000 Airport System Improvement Revenue Bonds, Series 2001 (AMT)**

**\$37,575,000 Passenger Facility Charge and Subordinate Lien Airport System  
Revenue Improvement Bonds, Series 2002**

**\$92,470,000 Airport System Revenue Improvement Bonds, Series 2002**

**\$50,230,000 Airport System Forward Refunding Revenue Bonds, Series 2003**

**\$3,255,000 Airport System Revenue Refunding Bonds, Series 2003B (AMT)**

**\$38,085,000 Passenger Facility Charge and Subordinate Lien Airport System  
Revenue Improvement Bonds, Series 2005 (AMT)**

**\$17,850,000 Airport System Revenue Refunding Bonds, Series 2006 (AMT)**

**\$74,860,000 Passenger Facility Charge and Subordinate Lien Airport System  
Revenue Improvement Bonds, Series 2007 (AMT)**

**\$82,400,000 Airport System Revenue Improvement Bonds, Series 2007 (AMT)**

**March 31, 2008**

## AIRPORT SYSTEM IMPROVEMENT REVENUE BONDS

The following Tables 1 through 6 present historical operating performance of the Airport System, all of which have been prepared by the City's Aviation Department.

The total domestic and international enplaned passengers at the International Airport on a monthly basis, along with year to year percentage changes are as follows:

**Total Domestic and International Enplaned Passengers**

**Table 1**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
January	239,719	238,109	261,368	294,898	290,162
February	231,491	253,427	255,070	288,571	284,566
March	287,214	306,140	310,899	359,749	347,180
April	265,465	305,220	312,212	347,234	337,355
May	282,716	300,127	335,447	366,922	353,578
June	306,945	318,834	345,087	367,433	366,453
July	303,624	326,894	339,032	366,785	372,144
August	274,317	289,284	302,523	318,640	345,096
September	240,362	265,778	280,806	298,554	304,182
October	275,050	306,181	325,982	333,230	341,652
November	266,993	294,317	321,153	332,784	337,664
December	<u>277,015</u>	<u>294,661</u>	<u>324,213</u>	<u>328,103</u>	<u>329,744</u>
Total	<u>3,250,911</u>	<u>3,498,972</u>	<u>3,713,792</u>	<u>4,002,903</u>	<u>4,009,776</u>
Increase (Decrease)					
over Prior 12-Month Period	---	248,061	214,820	289,111	6,873
Percent Increase (Decrease)					
over Prior 12-Month Period	---	7.63%	6.14%	7.78%	0.17%

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The total enplanements at the International Airport by airline for each of the last five calendar years are shown below:

**Total Domestic and International Enplaned Passengers by Airline**

**Table 2**

<u>Airlines</u>	<u>2003</u>		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>	
	<u>Number</u>	<u>% of Total</u>	<u>Number</u>	<u>% of Total</u>	<u>Number</u>	<u>% of Total</u>	<u>Number</u>	<u>% of Total</u>	<u>Number</u>	<u>% of Total</u>
Aerolitoral	6,988	0.21%	8,648	0.25%	9,878	0.27%	8,406	0.21%	14,387	0.36%
Aeroméxico	0	0.00%	0	0.00%	0	0.00%	17,324	0.43%	24,692	0.62%
America West*	100,043	3.08%	100,491	2.87%	102,296	2.75%	96,623	2.41%	30,380	0.76%
American	613,909	18.88%	616,664	17.62%	721,341	19.42%	786,605	19.65%	795,217	19.83%
American Eagle	0	0.00%	0	0.00%	0	0.00%	28,564	0.71%	14,352	0.36%
Atlantic Southeast	87,325	2.69%	137,029	3.92%	96,078	2.59%	66,290	1.66%	38,728	0.97%
Chautauqua	6,161	0.19%	47,109	1.35%	31,672	0.85%	30,291	0.76%	5,997	0.15%
Comair	15,012	0.46%	12,559	0.36%	43,495	1.17%	47,784	1.19%	48,155	1.20%
Continental	392,193	12.06%	424,173	12.12%	467,304	12.58%	503,151	12.57%	506,983	12.64%
Delta	346,026	10.64%	287,815	8.23%	294,636	7.93%	212,205	5.30%	180,593	4.50%
ExpressJet**	N/A		N/A		N/A		N/A		88,443	2.21%
Frontier	0	0.00%	0	0.00%	29,631	0.80%	58,487	1.46%	81,718	2.04%
Go Jet	0	0.00%	0	0.00%	0	0.00%	25,232	0.63%	62,591	1.56%
Mexicana	58,734	1.81%	63,455	1.81%	67,331	1.81%	72,823	1.82%	63,401	1.58%
Midwest	31,557	0.97%	59,998	1.71%	42,287	1.14%	44,347	1.11%	36,101	0.90%
Northwest	166,843	5.13%	214,801	6.14%	221,414	5.96%	244,452	6.11%	241,282	6.02%
SkyWest	38,710	1.19%	34,522	0.99%	96,720	2.60%	123,562	3.09%	141,117	3.52%
Southwest	1,144,577	35.21%	1,254,692	35.86%	1,294,382	34.85%	1,419,438	35.46%	1,417,636	35.35%
Trans States	0	0.00%	0	0.00%	0	0.00%	46,482	1.16%	8,312	0.21%
United	202,498	6.23%	215,079	6.15%	158,090	4.26%	156,050	3.90%	107,491	2.68%
US Airlines**	N/A		N/A		N/A		N/A		88,503	2.21%
Other Carriers	40,335	1.24%	21,937	0.63%	37,237	1.00%	14,787	0.37%	13,697	0.34%
Total	<u>3,250,911</u>	<u>100.00%</u>	<u>3,498,972</u>	<u>100.00%</u>	<u>3,713,792</u>	<u>100.00%</u>	<u>4,002,903</u>	<u>100.00%</u>	<u>4,009,776</u>	<u>100.00%</u>
Percent Increase (Decrease) over Prior 12 Month Period		---		<u>7.63%</u>		<u>6.14%</u>		<u>7.79%</u>		<u>0.18%</u>

\* Ceased as America West and became US Airlines as of April 1, 2007.

\*\* Provided service as of April 1, 2007.

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The total enplaned and deplaned international passengers at the International Airport are shown below:

<b>Total Enplaned and Deplaned International Passengers</b>					<b>Table 3</b>
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
January	11,595	9,520	12,927	12,610	14,435
February	8,319	9,562	10,586	10,957	12,142
March	12,551	12,823	13,383	14,637	16,077
April	11,165	10,620	9,835	14,256	17,613
May	13,702	13,521	13,405	17,949	16,494
June	19,266	26,469	23,184	22,182	20,822
July	24,907	30,234	27,484	26,868	22,880
August	18,062	20,158	16,312	18,055	18,137
September	7,895	11,120	10,930	10,715	13,410
October	8,104	13,254	12,413	11,435	12,873
November	10,292	15,721	16,523	18,490	16,883
December	<u>13,718</u>	<u>18,252</u>	<u>19,010</u>	<u>20,984</u>	<u>15,819</u>
Total	<u>159,576</u>	<u>191,254</u>	<u>185,992</u>	<u>199,138</u>	<u>197,585</u>
Increase (Decrease) over Prior 12-Month Period	---	31,678	(5,262)	13,146	(1,553)
Percent Increase (Decrease) over Prior 12-Month Period	---	19.85%	(2.75%)	7.07%	(0.78%)

The historical aircraft landed weight at the International Airport in 1,000 pound units, by air carrier, in the designated calendar year is shown below. Landed weight is utilized in the computation of the Airport's landing fee.

**Air Carrier Landed Weight (1,000 lbs.)**

**Table 4**

Carriers	2003		2004		2005		2006		2007	
	Weight	% of Total	Weight	% of Total	Weight	% of Total	Weight	% of Total	Weight	% of Total
Aerolitoral	14,140.10	0.26%	18,012.00	0.33%	18,482.00	0.33%	15,952.50	0.27%	20,922.20	0.34%
Aeromar	923.40	0.02%	6,707.70	0.12%	1,111.80	0.02%	0.00	0.00%	1,729.20	0.03%
Aeromexico	0.00	0.00%	0.00	0.00%	0.00	0.00%	16,678.80	0.28%	45,580.50	0.75%
Airborne	80,811.00	1.50%	86,354.10	1.59%	61,295.10	1.08%	0.00	0.00%	0.00	0.00%
Airtrain (Postal)	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
America West *	100,240.10	1.86%	33,436.80	0.62%	74,086.80	1.31%	35,904.00	0.60%	20,417.80	0.33%
American	815,759.00	15.13%	731,192.00	13.50%	852,628.50	15.09%	857,055.00	14.41%	886,481.50	14.54%
American Eagle	0.00	0.00%	0.00	0.00%	0.00	0.00%	49,208.50	0.83%	29,363.10	0.48%
American Intl.	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Atlantic Southeast	114,037.40	2.12%	170,964.00	3.16%	139,472.00	2.47%	80,355.00	1.35%	40,402.70	0.81%
Chautauqua	7,504.90	0.14%	61,552.80	1.14%	39,585.30	0.70%	34,435.30	0.58%	8,560.50	0.14%
Comair	22,325.00	0.41%	16,638.00	0.31%	52,068.00	0.92%	56,586.00	0.95%	54,932.60	0.90%
Continental	516,932.80	9.59%	575,225.60	10.62%	592,583.00	10.49%	611,182.00	10.28%	648,890.00	10.64%
Delta	481,513.00	8.93%	368,215.00	6.80%	379,201.00	6.71%	230,421.00	3.88%	209,600.30	3.44%
DHL Airways	0.00	0.00%	0.00	0.00%	30,080.00	0.53%	81,951.40	1.38%	102,001.00	1.67%
Emery Worldwide	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
ExpressJet **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	159,894.20	2.62%
Federal Express	384,251.40	7.13%	399,378.50	7.37%	410,019.00	7.26%	394,594.50	6.64%	369,173.40	6.05%
Frontier	0.00	0.00%	0.00	0.00%	49,113.00	0.87%	93,634.00	1.57%	118,771.00	1.95%
Go Jet	0.00	0.00%	0.00	0.00%	0.00	0.00%	36,850.00	0.62%	78,591.00	1.29%
Kitty Hawk	0.00	0.00%	0.00	0.00%	154.50	0.00%	309.00	0.01%	309.00	0.01%
Mesa	15,136.50	0.28%	73,411.00	1.36%	40,259.50	0.71%	94,381.50	1.59%	41,256.00	0.68%
Mexicana	101,682.20	1.89%	92,247.40	1.70%	100,660.60	1.78%	131,955.60	2.22%	110,842.00	1.82%
Midwest Express	67,588.30	1.25%	91,748.70	1.69%	69,928.00	1.24%	71,412.00	1.20%	48,759.00	0.80%
Northwest	285,871.40	5.30%	326,504.50	6.03%	319,605.30	5.66%	331,880.90	5.58%	320,211.00	5.25%
Skywest	47,141.00	0.87%	38,034.00	0.70%	117,984.00	2.09%	147,410.00	2.48%	153,553.00	2.52%
Southwest	1,739,146.00	32.26%	1,758,545.00	32.47%	1,772,312.00	31.37%	1,962,406.00	33.00%	1,986,266.00	32.57%
Sun County	1,802.00	0.03%	1,460.00	0.03%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Trans States	0.00	0.00%	0.00	0.00%	0.00	0.00%	65,128.10	1.10%	8,211.90	0.13%
TWA	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
US Airlines *	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	80,143.30	1.31%
United	255,266.10	4.73%	255,080.50	4.71%	195,752.30	3.46%	191,013.90	3.21%	138,795.20	2.28%
United Parcel	269,410.00	5.00%	259,094.50	4.78%	268,227.40	4.75%	312,326.70	5.25%	344,219.00	5.64%
Other Carriers	69,819.70	1.30%	52,752.80	0.97%	65,618.90	1.16%	43,200.40	0.73%	61,399.40	1.01%
	<u>5,391,301.30</u>	<u>100.00%</u>	<u>5,416,554.90</u>	<u>100.00%</u>	<u>5,650,228.00</u>	<u>100.00%</u>	<u>5,946,232.10</u>	<u>100.00%</u>	<u>6,098,275.80</u>	<u>100.00%</u>

\* Ceased as America West and became US Airlines as of April 1, 2007.

\*\* Provided service as of April 1, 2007.

Following is a summary of cargo activities at the International Airport:

**Enplaned Air Cargo Weights (U.S. Tons)**

**Table 5**

<u>Calendar Year</u>	<u>Mail</u>	<u>Freight</u>	<u>Total Cargo</u>	<u>Total % Change</u>
2003	18,008.50	39,678.52	57,687.02	---
2004	16,251.42	41,213.96	57,465.38	(0.38%)
2005	16,142.87	41,800.74	57,943.61	0.83%
2006	17,107.29	46,947.72	64,055.01	10.55%
2007	15,427.58	48,516.40	63,943.98	(0.17%)

Tables 6 and 7 reflect the historical performance of parking operations at the International Airport. The current parking rates at the International Airport are shown below:

**Current Parking Rates (effective October 1, 2006)**

**Table 6**

<u>Time Utilized</u>	<u>Short Term</u>	<u>Time Utilized</u>	<u>Long Term</u>
0 – ½ hour or fraction thereof	\$ 0.00	0 – ½ hour or fraction thereof	\$ 0.00
½ – 1 hour or fraction thereof	1.00	½ – 1 hour or fraction thereof	2.00
1 – 1½ hour or fraction thereof	2.00	Each additional hour or fraction thereof	2.00
1½ – 2½ hour or fraction thereof	3.00	Maximum Daily Rate (24 hours)	10.00
2½– 3½ hour or fraction thereof	4.00		
Each additional hour or fraction thereof	2.00		
Maximum Daily Rate (24 hours)	22.00		
<u>Time Utilized</u>	<u>Shuttle</u>		
0 – ¼ hour or fraction thereof	\$ 0.00		
¼ – 1 hour or fraction thereof	2.00		
Each additional hour or fraction thereof	2.00		
Maximum Daily Rate (24 hours)	5.00		

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The historical revenues and expenses of the parking system at the International Airport and parking revenues as percentage of Gross and Net Revenues of the Airport System are shown below:

**Airport Parking System Revenues**

**Table 7**

	Fiscal Year Ended September 30				
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007*</u>
Parking Revenues	\$10,692,453	\$11,415,942	\$ 13,085,884	\$ 15,280,425	\$ 16,738,326
Parking Expenses	<u>(2,252,436)</u>	<u>(2,287,311)</u>	<u>(2,546,002)</u>	<u>(3,342,497)</u>	<u>(3,097,789)</u>
Net Parking Revenues	<u>\$ 8,440,017</u>	<u>\$ 9,128,631</u>	<u>\$10,539,882</u>	<u>\$11,937,928</u>	<u>\$13,640,537</u>
Gross Parking Revenues as a % of Airport System Gross Revenues	24.34%	25.52%	27.74%	28.95%	29.54%
Net Parking Revenues as a % of Airport System Net Revenues	45.46%	46.57%	50.75%	51.20%	56.54%
Airport System Gross Revenues	\$43,930,687	\$44,729,251	\$47,180,690	\$52,785,593	\$56,655,432
Airport System Net Revenues	\$18,567,080	\$19,601,718	\$20,769,586	\$23,314,280	\$24,125,769

\* Unaudited.

Source: City of San Antonio, Finance Department

The historical financial performance of the Airport System is shown in tables 8 and 9 and has been provided by the City's Finance Department.

A comparison of the major categories comprising Gross Revenues and Operation and Maintenance Expenses for the past five fiscal years is shown below.

### Comparative Statement of Gross Revenues and Expenses

**Table 8**

	Fiscal Year Ended September 30				
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007*</u>
<b>Gross Revenues</b>					
Airline Revenues					
Scheduled Carrier Landing Fees	\$4,389,814	\$4,669,871	\$4,951,513	\$5,427,393	\$5,749,818
Non-Scheduled Carrier Landing Fees	800,440	878,044	1,021,264	1,146,347	1,159,531
Terminal Building Rentals <sup>1</sup>	9,465,739	8,266,382	6,302,886	4,575,396	5,238,295
FIS Space Fees	546,374	543,788	783,264	629,381	894,503
Ramp Fees	<u>377,813</u>	<u>382,500</u>	<u>385,625</u>	<u>397,813</u>	<u>407,500</u>
Subtotal Airlines Revenues	<u>\$15,580,180</u>	<u>\$14,740,585</u>	<u>\$13,444,552</u>	<u>\$12,176,330</u>	<u>\$13,449,647</u>
Non-Airline Revenues					
Concession Contracts	\$10,512,091	\$11,387,589	\$12,553,585	\$15,431,158	\$15,787,104
Parking Fees	10,692,453	11,415,942	13,085,884	15,280,425	16,738,326
Property Leases	5,969,218	6,039,652	6,479,611	6,488,267	6,603,443
Stinson Airport	218,102	123,227	83,091	269,325	209,485
Interest Income	697,233	561,483	1,386,139	2,591,719	3,434,689
Misc. Revenues	261,410	460,773	147,828	548,369	427,223
Transfer from Development Services	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>5,515</u>
Subtotal Non-Airline Revenues	<u>\$28,350,507</u>	<u>\$29,988,666</u>	<u>\$33,736,138</u>	<u>\$40,609,263</u>	<u>\$43,205,785</u>
<b>Total Gross Revenues</b>	<u>\$43,930,687</u>	<u>\$44,729,251</u>	<u>\$47,180,690</u>	<u>\$52,785,593</u>	<u>\$56,655,432</u>
<b>Operating &amp; Maintenance Expenses</b>					
Airfield Area	\$ 1,462,907	\$ 1,403,683	\$ 1,351,893	\$ 1,641,817	\$ 1,580,597
Service Area	390,988	385,536	378,755	298,579	342,880
Terminal 2	2,246,782	2,074,706	2,219,679	2,395,515	2,740,507
Terminal 1	3,083,014	3,151,196	3,226,762	3,528,282	3,829,290
Fire & Rescue	2,916,359	3,097,194	3,444,348	2,829,072	3,916,032
Access	506,465	488,522	711,111	622,290	600,481
Central Plant	552,896	475,528	498,354	569,766	696,512
Commercial & Industrial	88,479	88,128	77,376	77,478	109,554
Other Buildings & Area	89,189	88,689	74,725	77,273	101,633
Parking	2,252,436	2,287,311	2,546,002	3,342,497	3,097,789
Stinson Airport	457,247	463,573	514,919	597,512	564,525
Administration	5,432,602	5,657,277	5,671,675	7,034,412	7,393,108
Maintenance Dir. & Control	1,046,729	1,053,812	1,053,701	1,164,646	1,272,447
Security	3,093,846	2,582,517	2,902,909	3,401,352	4,427,411
Operations	1,743,179	1,829,861	1,738,895	1,890,822	1,718,113
Ground Transportation	<u>489</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>138,784</u>
<b>Total Operating &amp; Maintenance Expenses</b>	<u>\$25,363,607</u>	<u>\$25,127,533</u>	<u>\$26,411,104</u>	<u>\$29,471,313</u>	<u>\$32,529,663</u>
<b>Net Revenues</b>	<u>\$18,567,080</u>	<u>\$19,601,718</u>	<u>\$20,769,586</u>	<u>\$23,314,280</u>	<u>\$24,125,769</u>

\*Unaudited.

<sup>(1)</sup> Each year, the Signatory Airlines are eligible to receive a credit against their terminal rents, in an amount equal to 50% of funds available in excess of the 25% debt service coverage requirement after the payment of all Operation and Maintenance Expenses, debt service requirements, and deposits to the bond funds. Terminal building rentals are shown net of credit.

The ratios of Gross Revenues and Net Revenues to the debt service requirements of the outstanding Parity Obligations for the past five fiscal years are shown below:

**Historical Debt Service Coverages**

**Table 9**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007*</u>
Gross Revenues <sup>(1)</sup>	\$43,930,687	\$44,729,251	\$47,180,690	\$52,785,593	\$56,655,432
Airline Rental Credit	<u>2,612,609</u>	<u>3,486,271</u>	<u>5,322,516</u>	<u>7,988,304</u>	<u>8,831,771</u>
Adjusted Gross Revenues	\$46,543,296	\$48,215,522	\$52,503,206	\$60,773,897	\$65,487,203
Operating Expenses	<u>(\$25,363,607)</u>	<u>(\$25,127,533)</u>	<u>(\$26,411,104)</u>	<u>(29,471,313)</u>	<u>(32,529,663)</u>
Net Revenue	<u>\$21,179,689</u>	<u>\$23,087,989</u>	<u>\$26,092,102</u>	<u>\$31,302,584</u>	<u>\$32,957,540</u>
Annual Debt Service Requirements	\$15,659,812	\$16,341,609	\$17,410,959	\$17,436,459	\$16,994,196
Gross Revenue Debt Service Coverage <sup>(2)</sup>	2.97x	2.95x	3.02x	3.49x	3.85x
Net Revenue Debt Service Coverage	1.35x	1.41x	1.50x	1.80x	1.94x

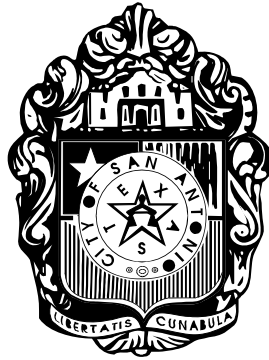
\* Unaudited.

<sup>(1)</sup> As reported in the City of San Antonio's audited financial statements.

<sup>(2)</sup> Calculated using Adjusted Gross Revenues.

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# **CITY OF SAN ANTONIO, TEXAS**



## **Convention Center Expansion Project**

**\$182,012,480.60 Hotel Occupancy Tax Revenue Bonds, Series 1996**

**\$10,390,000 Hotel Occupancy Tax Subordinate Lien Revenue Refunding  
Bonds, Series 2004A**

**\$111,425,000 Hotel Occupancy Tax Subordinate Lien Revenue and Refunding  
Bonds, Series 2004B**

**\$72,620,000 Hotel Occupancy Tax Subordinate Lien Revenue Refunding  
Bonds, Series 2006**

**\$5,500,000 Hotel Occupancy Tax Surplus Revenue Tax Notes, Series 2007**

**March 31, 2008**



## HOTEL OCCUPANCY TAX REVENUE BONDS

### Expansion Hotel Occupancy Tax Revenues – 2% Collection Rate <sup>1</sup>

**Table 1**

Months	Fiscal Year Ended September 30				
	2003	2004	2005	2006	2007*
October	\$ 573,848	\$ 545,694	\$ 519,437	\$ 877,962	\$ 893,466
November	817,218	767,592	999,530	857,751	1,186,179
December	612,502	678,680	692,712	1,036,926	1,229,244
January	591,602	555,197	547,423	767,164	932,351
February	539,972	679,369	617,210	778,861	828,989
March	774,913	790,353	979,467	1,052,668	917,997
April	1,193,058	1,260,666	1,367,005	1,475,125	1,721,810
May	1,050,796	1,271,436	1,324,661	1,505,624	1,614,192
June	889,456	890,658	1,172,990	1,318,848	1,240,168
July	951,731	853,764	1,185,765	1,284,997	1,255,765
August	1,053,012	1,064,134	1,242,272	1,298,833	1,490,420
September	870,407	941,564	802,259	1,125,216	1,153,542
	<u>\$9,918,515</u>	<u>\$10,299,107</u>	<u>\$11,450,731</u>	<u>\$13,379,975</u>	<u>\$14,464,123</u>

\* Unaudited.

<sup>1</sup> The Expansion Hotel Occupancy Tax consists of 2% more than 7% of the cost of a room and is currently pledged to payment of the Prior Lien Bonds. The proceeds from the Expansion Hotel Occupancy Tax are not pledged to the payment of the debt service requirements on the Bonds Similarly Secured; however, the City intends to pay a portion of the debt service requirements from such source.

Source: City of San Antonio, Department of Finance

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**General Municipal Hotel Occupancy Tax Revenues<sup>1</sup>****Table 2**

Fiscal Year Ended 9/30	Total Revenue	Tax Rate <sup>1</sup>	% Change Between Years <sup>2</sup>
1975	\$ 870,546	3%	--
1976	1,057,221	3%	21.44%
1977	1,131,117	3%	6.99%
1978	1,861,673	4%	23.44%
1979	2,250,840	4%	20.90%
1980	2,924,985	4%	29.95%
1981	3,873,596	4%	32.43%
1982	4,446,054	4%	14.78%
1983	4,461,303	4%	0.34%
1984	7,541,146	6%	12.69%
1985	8,827,764	6%	17.06%
1986	8,594,295	6%	(2.64%)
1987	10,245,610	7%	2.18%
1988	12,102,399	7%	18.12%
1989	14,486,352	7%	19.70%
1990	16,145,200	7%	11.45%
1991	16,774,313	7%	3.90%
1992	18,572,317	7%	10.72%
1993	22,064,501	7%	18.80%
1994 <sup>1</sup>	22,661,797	7%	2.71%
1995 <sup>1</sup>	24,240,718	7%	6.97%
1996 <sup>1</sup>	26,609,765	7%	9.77%
1997 <sup>1</sup>	27,086,920	7%	1.79%
1998 <sup>1</sup>	30,526,702	7%	12.70%
1999 <sup>1</sup>	31,243,787	7%	2.35%
2000 <sup>1</sup>	34,304,229	7%	9.80%
2001 <sup>1</sup>	35,829,309	7%	4.45%
2002 <sup>1</sup>	35,006,434	7%	(2.30%)
2003 <sup>1</sup>	34,714,959	7%	(0.83%)
2004 <sup>1</sup>	36,043,702	7%	3.83%
2005 <sup>1</sup>	40,090,897	7%	11.23%
2006 <sup>1</sup>	46,823,385	7%	16.79%
2007 <sup>1*</sup>	50,625,007	7%	8.12%
Average Annual Rate of Increase			10.93%

\* Unaudited.

<sup>1</sup> The General Hotel Occupancy Tax ("HOT") of 7% does not include the 2% Expansion HOT (see Table 1). The 7% HOT is comprised of a "Pledged 5.25% HOT" and a "Pledged 1.75% HOT" and are pledged as a first and prior lien for the payment of the Prior Lien Bonds and a subordinate and inferior lien for the payment of the 2004A and 2004B Bonds (see Table 6). The total hotel occupancy tax collected in San Antonio for all entities is 16.75%, 9% is the City's Municipal HOT, 1.75% is the Bexar County's HOT, and the remaining 6% is imposed by and payable to the State of Texas.

<sup>2</sup> Adjusted for changes in tax rate to show true growth based on single tax rate.

Source: City of San Antonio, Department of Finance.

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**Municipal Hotel Occupancy Tax Top Ten Hotels<sup>1</sup>**
**Table 3**

	Fiscal Year Ended September 30									
	2003		2004		2005		2006		2007	
	<u>Rooms</u>	<u>Total Tax Paid<sup>2</sup></u>	<u>Rooms</u>	<u>Total Tax Paid<sup>2</sup></u>	<u>Rooms</u>	<u>Total Tax Paid<sup>2</sup></u>	<u>Rooms</u>	<u>Total Tax Paid</u>	<u>Rooms</u>	<u>Total Tax Paid</u>
Marriott Rivercenter*	1,000	\$4,174,290	1,000	\$3,515,664	1,000	\$3,844,758	1,000	\$3,966,514	1,000	\$4,461,991
Hyatt Regency *	633	2,099,108	633	1,823,393	633	2,296,844	633	2,322,324	633	2,776,390
Hyatt Hill Country Resort**	500	1,830,858	500	1,749,513	500	1,978,448	500	2,293,139	500	2,553,698
Westin Riverwalk*	474	1,670,289	474	1,660,244	474	1,945,161	474	1,857,426	474	2,351,345
Westin La Cantera Resort***	508	1,604,983	508	1,486,361	508	1,784,479	508	2,106,976	508	2,313,754
Marriott Riverwalk*	502	2,081,821	502	1,766,221	502	2,032,346	502	2,057,478	502	2,229,260
Hilton Palacio Del Rio*	481	1,537,874	481	1,634,833	481	1,894,692	481	1,946,886	481	2,128,872
La Mansion Del Rio*	337	1,354,798	337	1,351,560	337	1,520,555	337	1,488,371	337	1,595,567
Crowne Plaza Riverwalk*	410	867,775	410	772,270	410	954,768	410	1,039,013	410	1,176,805
Hotel Valencia*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	213	948,428
Holiday Inn Riverwalk*	313	758,148	313	720,945	N/A	N/A	313	928,155	N/A	N/A
Wyndham St. Anthony*	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>352</u>	<u>868,293</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Totals	<u>5,158</u>	<u>\$17,979,944</u>	<u>5,158</u>	<u>\$16,481,004</u>	<u>5,197</u>	<u>\$19,120,344</u>	<u>5,158</u>	<u>\$20,006,282</u>	<u>5,058</u>	<u>\$22,536,110</u>

\* These hotels are within walking distance of the Henry B. Gonzalez Convention Center.

\*\* This hotel is near SeaWorld San Antonio Adventure Park.

\*\*\* This hotel is near the Six Flags Fiesta Texas Amusement Park.

<sup>1</sup> Represents approximately 14.53% of total rooms available in the City and approximately 34.62% of the City's Hotel Occupancy Tax Receipts for fiscal year 2007.

<sup>2</sup> Municipal Hotel Occupancy Taxes were less a one percent discount for payment by the 20th of the following month and include any late charges. This earlier payment discount was discontinued October 1, 2005.

Source: City of San Antonio, Department of Finance.

**San Antonio Hotel Occupancies and Average Daily Rates/History<sup>1</sup>****Table 4**

<u>Calendar Year</u>	<u>Room Count</u>	<u>Increase/ Decrease</u>	<u>Average Daily Room Rate</u>	<u>Increase/ Decrease</u>	<u>Hotel Occupancy</u>	<u>Increase/ Decrease</u>
1998	27,919	---	\$79.81	---	64.0%	---
1999	28,894	3.5%	80.65	1.1%	63.5%	(0.8%)
2000	30,017	3.9%	83.68	3.8%	64.0%	0.8%
2001	30,745	2.4%	84.51	1.0%	62.2%	(2.8)%
2002	31,382	2.1%	85.09	0.7%	63.2%	1.6%
2003	32,179	2.5%	82.15	(3.5%)	63.1%	(0.2%)
2004	32,350	0.5%	83.90	2.1%	63.7%	1.0%
2005	32,715	1.1%	88.67	5.7%	68.1%	6.9%
2006	33,321	1.9%	97.01	9.4%	68.3%	0.3%
2007	34,821	4.5%	101.56	4.6%	66.2%	(3.1%)

<sup>1</sup> According to Smith Travel Research (STR) reports dated March 2007 for calendar years 1998 through 2006 and January 2008 for calendar year 2007. STR is the lodging industry's leading information and data provider and maintains the most comprehensive database of hotel performance information nationwide. Information is based on hotels in the San Antonio market. Information is subject to adjustment as hotels submit adjusted data and/or additional hotels begin participating in the STR survey with actual data replacing estimated data. Room count is based on December of each year.

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The City's diversified economy includes a significant sector relating to the hospitality industry. A study by the Greater San Antonio Chamber of Commerce found that in 2006 the hospitality industry had an economic impact of nearly \$10.5 billion. The estimated annual payroll for the industry in 2006 was \$1.88 billion, and the industry employed an estimated 100,294.

In 2007, the City's overall performance for hotel occupancy decreased by 3.1%. However, this is in light of room supply increasing by 3.5%. Total room nights sold in the destination increased by 0.3%. Average daily room rate (ADR) increased 4.6%, revenue per available room ("RevPAR") increased by 1.4%, and overall revenue increased 4.9%.

*Tourism.* During 2006, San Antonio attracted 26 million visitors. Of these, 11 million were overnight leisure visitors, placing San Antonio as one of the top U.S. destinations in Texas. The list of attractions in the San Antonio area includes, among many others, the Alamo, and other sites of historic significance, the River Walk, two major theme parks (SeaWorld of Texas and Six Flags Fiesta Texas), and the professional basketball team, the San Antonio Spurs.

*Conventions.* San Antonio is one of the top convention cities in the country. The City is proactive in attracting convention business through its management practices and marketing efforts. The following table shows both overall City performance as well as convention activity booked and hosted by the City's Convention & Visitors Bureau for the years indicated:

**Convention Statistics**

**Table 5**

Calendar Year	Hotel Occupancy <sup>1</sup>	Revenue per Available Room (RevPAR) <sup>1</sup>	Room Nights Sold <sup>1</sup>	Convention Attendance <sup>2</sup>	Convention Room Nights <sup>2</sup>	Convention Delegate Expenditures (\$ Millions) <sup>2, 3</sup>
1998	64.9%	\$53.01	6,064,659	445,151	724,882	\$401.0
1999	64.2%	52.91	6,225,808	406,539	678,014	366.2
2000	64.7%	55.34	6,549,812	389,448	696,215	350.8
2001	62.7%	54.10	6,486,944	419,970	712,189	378.3
2002	63.9%	55.42	6,741,011	483,452	693,921	435.5
2003	63.8%	53.26	6,903,131	429,539	613,747	387.0
2004	64.6%	55.11	7,022,152	491,287	621,640	510.5
2005	69.1%	62.36	7,569,655	503,601	699,932	523.3
2006	69.2%	68.38	7,699,411	467,426	736,659	485.8
2007	67.4%	75.15	7,635,949	455,256	647,386	473.1

<sup>1</sup> Data obtained from Smith Travel Research based on hotels in the San Antonio selected zip code reports dated March 2007 and January 2008.

<sup>2</sup> Reflects only those conventions booked by the Convention and Visitors Bureau.

<sup>3</sup> Beginning in 1998, the estimated dollar value is calculated in accordance with the 1998 DMAI Foundation Convention Income Survey Report conducted by Deloitte & Touche LLP, which reflected the average expenditure of \$900.89 per convention and trade show delegate. Calendar years 2004 and 2005 are based on an average expenditure of \$1,039.20 per convention and trade show delegate, according to a Veris Consulting, LLC study for the DMAI.

Source: City of San Antonio, Convention and Visitors Bureau.

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# Annual Debt Service

**Table 6**

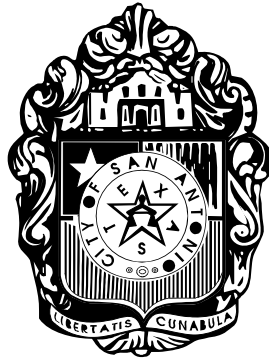
Fiscal Year Ending 9/30	Series 1996 Revenue Bonds	Series 2004A Revenue Refunding Bonds	Series 2004B Revenue and Refunding Bonds <sup>1</sup>	Series 2006 Revenue Refunding Bonds	Series 2006 Refunding Bonds <sup>2</sup>	Series 2007 Tax Notes	Total
2008		\$519,500.00	\$8,247,500.00	\$3,402,205.00	\$367,200.00	\$264,919.42	\$12,801,324.42
2009		519,500.00	10,802,500.00	3,402,405.00		222,310.00	14,946,715.00
2010		519,500.00	11,347,500.00	3,402,205.00		5,722,310.00	20,991,515.00
2011	\$ 6,985,000.00	519,500.00	5,051,250.00	3,406,605.00			15,962,355.00
2012	7,590,000.00	519,500.00	5,128,750.00	3,405,405.00			16,643,655.00
2013	7,915,000.00	519,500.00	5,151,250.00	3,403,805.00			16,989,555.00
2014	7,900,000.00	519,500.00	5,196,250.00	3,401,805.00			17,017,555.00
2015	8,210,000.00	519,500.00	4,862,500.00	3,404,405.00			16,996,405.00
2016	8,055,000.00	519,500.00	4,968,750.00	3,401,405.00			16,944,655.00
2017	7,730,000.00	519,500.00	5,293,750.00	3,403,005.00			16,946,255.00
2018		519,500.00	7,026,250.00	9,459,005.00			17,004,755.00
2019		519,500.00	6,945,000.00	9,462,205.00			16,926,705.00
2020		519,500.00	6,886,250.00	9,456,625.00			16,862,375.00
2021		519,500.00	7,848,750.00	9,461,906.26			17,830,156.26
2022		519,500.00	7,781,250.00	9,458,625.00			17,759,375.00
2023		519,500.00	7,682,500.00	9,457,075.00			17,659,075.00
2024		519,500.00	7,603,750.00	9,460,225.00			17,583,475.00
2025		519,500.00	7,543,750.00	9,457,175.00			17,520,425.00
2026		519,500.00	7,426,250.00	9,462,475.00			17,408,225.00
2027		519,500.00	9,953,750.00				10,473,250.00
2028		5,589,500.00	4,793,750.00				10,383,250.00
2029		5,586,000.00	4,723,750.00				10,309,750.00
2030			10,251,250.00				10,251,250.00
2031			10,096,250.00				10,096,250.00
2032			9,928,750.00				9,928,750.00
2033			9,748,750.00				9,748,750.00
2034			9,581,250.00				9,581,250.00
	\$54,385,000.00	\$21,565,500.00	\$201,871,250.00	\$119,168,566.26	\$367,200.00	\$6,209,539.42	\$403,567,055.68

<sup>1</sup> Debt service on the \$111,425,000 City of San Antonio, Texas Hotel Occupancy Tax Subordinate Lien Revenue and Refunding Bonds, Series 2004B (the "Series 2004B Revenue and Refunding Bonds") is calculated at actual interest rates through August 15, 2008, and an estimated annual rate of 5.00% thereafter.

<sup>2</sup> A portion of the \$170,785,000 City of San Antonio, Texas General Improvement and Refunding Bonds, Series 2006 (the "Series 2006 Refunding Bonds") refunded a portion of the Series 1996B Refunding Bonds. The 1% General Hotel Occupancy Tax has not been pledged to the Series 2006 Refunding Bonds, however, hotel occupancy tax collections may be used to pay debt service requirements as shown above.

Source: City of San Antonio, Department of Finance.

# **CITY OF SAN ANTONIO, TEXAS**



## **Parking System**

**\$24,845,000 Parking System Revenue Bonds, Series 2000**

**March 31, 2008**

## PARKING SYSTEM REVENUE BONDS

Shown below are the City's existing and proposed City-owned parking facilities, exclusive of approximately 1,878 on-street parking meters and 3,383 leased surface lot spaces and the approximate date in which they were put into service.

**Existing and Proposed City-Owned Garages and Surface Lots**

**Table 1**

Facility	Date Completed or to be Completed	Current & Proposed Spaces	Cost or Value*
<b>GARAGES:</b>			
Marina	1967	465	\$1,128,071
RiverBend	1981	800	5,729,864
HemisFair <sup>1</sup>	1987	0	0
Mid-City	1992	910	1,821,573
Library	1995	428	1,656,014
St. Mary's Street	2002	704	13,102,884
Convention Center <sup>2</sup>	N/A	0	0
Total		<u>3,307</u>	<u>\$23,438,406</u>
<b>SURFACE LOTS:</b>			
Non-Metered:			
Dolorosa Street	1965	173	\$1,384,000
Houston/Cameron Streets	1973	35	280,000
Continental Street	1983	89	712,000
Center Street	1992	148	1,184,000
Market Square	1993	177	1,416,000
Cattleman's Square <sup>3</sup>	1997	0	0
Municipal Courts	1997	155	1,240,000
ITC Lot <sup>4</sup>	2005	244	1,952,000
Frio Lot <sup>5</sup>	2005	77	616,000
Total		<u>1,098</u>	<u>\$8,784,000</u>
Metered:			
Rosy @ Salinas	1989	47	\$ 376,000
San Antonio College	1989	117	936,000
San Fernando	1989	58	464,000
Total		<u>222</u>	<u>\$1,776,000</u>
<b>Grand Total</b>		<u><b>4,627</b></u>	<u><b>\$33,998,406</b></u>

\* The value of the garages is shown as the acquisition or cost of construction. Surface lots are valued at \$25 per square foot with each space being approximately 320 square feet.

<sup>1</sup> The HemisFair Garage was demolished in July 2005 to commence construction of the Convention Center Hotel.

<sup>2</sup> The City will not contribute funding nor participate in the operation of the Convention Center Hotel Garage

<sup>3</sup> No longer City property. Exchanged with the University of Texas for six (6) acres in HemisFair Park.

<sup>4</sup> Acquired through a property exchange with the University of Texas for the Cattleman's Square Lot.

<sup>5</sup> Vacant City-owned property converted to a parking lot adjacent to Municipal Court.



**Parking Rates**

**Table 2**

Facility	Monthly Rate		Daily Rate	Event Rate
	Commercial	Residential		
Mid-City Garage	\$77.00/87.00 <sup>1</sup>	\$45.00	\$6.00	\$7.00
RiverBend Garage	77.00	45.00	6.00	7.00
St. Mary's Street Garage	70.00	45.00	6.00	6.00
Marina Garage	55.00	45.00	6.00	8.00
Dolorosa Street Lot	40.00	N/A	6.00	5.00
Market Square Lot	40.00	N/A	5.00	5.00
Continental Lot	31.50	N/A	6.00	5.00
Library Garage	30.00	N/A	4.00	4.00
Municipal Courts	N/A	N/A	3.00	5.00
Center Street	N/A	N/A	N/A	5.00
Houston/Cameron Streets Lot <sup>2</sup>	N/A	N/A	N/A	N/A
ITC Lot	30.00	N/A	6.00	6.00
Frio Lot	30.00	N/A	3.00	N/A

<sup>1</sup> \$87.00 is for basement only.

<sup>2</sup> City employees only.

Hourly Rate								
Parking Period	Mid-City Garage	RiverBend Garage	St. Mary's Street Garage	Marina Garage	Dolorosa & Continental Lots	Market Square Lot	Library Garage	ITC Lot
One half hour	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$0.50	\$0.75	\$1.00
31 minutes - 1 hour	2.00	2.00	2.00	2.00	2.00	1.00	1.25	2.00
1 hour - 1-1/2 hours	3.00	3.00	3.00	3.00	3.00	1.75	2.00	3.00
1-1/2 hours - 2 hours	4.00	4.00	4.00	4.00	4.00	2.50	2.75	4.00
2 hours - 2-1/2 hours	5.00	5.00	5.00	5.00	5.00	3.25	3.50	5.00
2-1/2 hours to 3 hours	6.00	6.00	6.00	6.00	6.00	4.00	4.00	6.00
3 hours - 3-1/2 hours	6.00	6.00	6.00	6.00	6.00	5.00	4.00	6.00
3-1/2 hours - 24 hours	6.00	6.00	6.00	6.00	6.00	5.00	4.00	6.00
Lost Ticket	12.00	12.00	12.00	12.00	12.00	10.50	10.50	12.00

**Historical Gross Revenues****Table 3**

<u>Fiscal Year Ended 9/30</u>	<u>Gross Revenues<sup>1</sup></u>
1986	\$ 2,693,963
1987	2,680,585
1988	3,873,499
1989	3,948,120 <sup>2</sup>
1990	3,856,448
1991	4,108,653
1992	4,605,292
1993	5,261,802
1994	5,513,102
1995	6,887,653
1996	7,487,370
1997	7,433,905
1998	7,436,475
1999	8,117,505
2000	8,025,849
2001	8,708,206
2002	8,469,028
2003	9,164,972
2004	11,470,304
2005	10,926,033
2006	10,914,445
2007*	10,386,201

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\* Unaudited.

<sup>1</sup> Includes leased spaces.

<sup>2</sup> For fiscal year 1989, the gross revenues reflect the loss of revenue from 471 spaces razed at HemisFair Garage with 9,889 spaces remaining.

**Historical Pro-Forma Coverage****Table 4**

Gross Parking System at Fiscal Year 2007*	\$10,386,201
Maximum Annual Debt Service of the Bonds at Fiscal Year 2019	\$2,265,375
Debt Service Coverage	4.59x

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\* Unaudited.

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**Historical and Projected Parking System Operating Cashflow****Table 5**

Historical	Fiscal Year Ended September 30				
	2003	2004	2005	2006	2007*
Revenues:					
Gross Operating Revenues	\$8,451,572	\$10,011,301	\$10,323,389	\$10,234,547	\$10,191,662
Gross Non-Operating Revenues	<u>713,400</u>	<u>1,459,003</u>	<u>602,644</u>	<u>679,898</u>	<u>194,539</u>
Total Gross Revenue Available for Debt Service	<u>\$9,164,972</u>	<u>\$11,470,304</u>	<u>\$10,926,033</u>	<u>\$10,914,445</u>	<u>\$10,386,201</u>
The Bonds Debt Service Requirement	\$1,367,273	\$1,767,273	\$1,797,273	\$1,924,773	\$1,914,773
The Bonds Debt Service Coverage	6.70x	6.49x	6.08x	5.67x	5.42x
Operations & Maintenance Expenses	<u>\$5,944,106</u>	<u>\$6,225,204</u>	<u>\$6,912,380</u>	<u>\$6,852,641</u>	<u>\$6,819,661</u>
Revenues Available for Other Obligations	<u>\$1,853,593</u>	<u>\$3,477,827</u>	<u>\$2,216,380</u>	<u>\$2,137,031</u>	<u>\$1,651,767</u>
Projected	Fiscal Year End September 30				
	2008	2009	2010	2011	2012
Revenues:					
Gross Operating Revenues	\$9,780,302	\$9,833,032	\$12,388,408	\$12,388,408	\$12,388,408
Gross Non-Operating Revenues	<u>132,662</u>	<u>58,396</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Gross Revenue Available for Debt Service	<u>\$9,912,964</u>	<u>\$9,891,428</u>	<u>\$12,388,408</u>	<u>\$12,388,408</u>	<u>\$12,388,408</u>
The Bonds Debt Service Requirement	\$1,923,773	\$2,080,443	\$1,537,093	\$1,744,068	\$2,249,455
The Bonds Debt Service Coverage	5.15x	4.75x	8.06x	7.10x	5.51x
Operations & Maintenance Expenses	<u>\$7,108,235</u>	<u>\$7,327,882</u>	<u>\$7,561,680</u>	<u>\$7,812,547</u>	<u>\$8,083,008</u>
Revenues Available for Other Obligations	<u>\$880,956</u>	<u>\$483,103</u>	<u>\$3,289,635</u>	<u>\$2,831,793</u>	<u>\$2,055,945</u>

\* Unaudited.

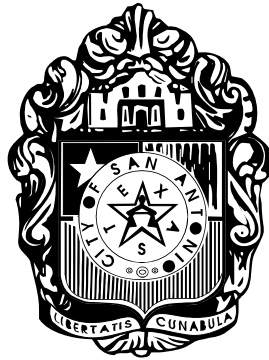
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**Debt Service Schedule****Table 6**

Parking System Revenue Bonds, Series 2000			
Fiscal Year Ending 9/30	Principal	Interest	Combined Debt Service
2008	\$ 660,000.00	\$1,263,772.50	\$1,923,772.50
2009	850,000.00	1,230,442.50	2,080,442.50
2010	350,000.00	1,187,092.50	1,537,092.50
2011	575,000.00	1,169,067.50	1,744,067.50
2012	1,110,000.00	1,139,455.00	2,249,455.00
2013	1,170,000.00	1,081,735.00	2,251,735.00
2014	1,230,000.00	1,020,310.00	2,250,310.00
2015	1,300,000.00	952,660.00	2,252,660.00
2016	1,370,000.00	881,160.00	2,251,160.00
2017	1,445,000.00	805,810.00	2,250,810.00
2018	1,535,000.00	726,335.00	2,261,335.00
2019	1,625,000.00	640,375.00	2,265,375.00
2020	1,700,000.00	548,562.50	2,248,562.50
2021	1,800,000.00	451,662.50	2,251,662.50
2022	1,900,000.00	348,162.50	2,248,162.50
2023	2,020,000.00	238,912.50	2,258,912.50
2024	<u>2,135,000.00</u>	<u>122,762.50</u>	<u>2,257,762.50</u>
	<u>\$22,775,000.00</u>	<u>\$13,808,277.50</u>	<u>\$36,583,277.50</u>

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# **CITY OF SAN ANTONIO, TEXAS**



## **Municipal Drainage Utility System**

**\$44,150,000 Municipal Drainage Utility System Revenue Bonds, Series 2003**

**\$61,060,000 Municipal Drainage Utility System Revenue Bonds, Series 2005**

**March 31, 2008**

## MUNICIPAL DRAINAGE UTILITY SYSTEM REVENUE BONDS

The System's operating revenues and expenditures are shown below for the past five years.

**Condensed Statement of Operations**

**Table 1**

	Fiscal Year Ended September 30				
	2007*	2006	2005	2004	2003
Revenues:					
Stormwater Drainage Service Fee	\$29,382,348	\$27,619,303	\$26,272,690	\$22,091,417	\$21,049,293
Fee In Lieu of Detention Pond	6,145,439	6,798,167	5,587,265	4,696,321	3,709,324
Miscellaneous	256,672	516,882	48,382	912,791	3,610
Interest Income	1,356,217	1,172,596	521,959	169,653	170,755
Transfers from Other Funds	24,560	-0-	-0-	60,289	128,549
Total Revenues	<u>\$37,165,236</u>	<u>\$36,106,948</u>	<u>\$32,430,296</u>	<u>\$27,930,471</u>	<u>\$25,061,531</u>
Less: Fee In Lieu of Detention Pond Revenues <sup>1</sup>	<u>(7,366,656)</u>	<u>(7,841,840)</u>	<u>(5,999,803)</u>	<u>(4,863,251)</u>	<u>(3,871,345)</u>
Total Stormwater Revenues Available for Debt Service Requirements	\$29,798,580	\$28,265,108	\$26,430,493	\$23,067,220	\$21,190,186
Expenditures:					
Drainage Improvement	\$21,160,102	\$20,319,890	\$19,576,189	\$17,747,410	\$17,438,765
Maintenance <sup>2</sup>	2,166,102	805,925	852,983	540,799	591,255
Transfers to Other Funds	<u>13,474,720</u>	<u>10,899,280</u>	<u>6,139,319</u>	<u>6,695,390</u>	<u>2,359,022</u>
Total Expenditures	<u>\$36,800,924</u>	<u>\$32,025,095</u>	<u>\$26,568,491</u>	<u>\$24,983,599</u>	<u>\$20,389,042</u>
Less: Fee In Lieu of Detention Pond Expenditures	<u>(7,609,863)</u>	<u>(3,508,169)</u>	<u>(881,760)</u>	<u>(3,081,678)</u>	<u>(868,739)</u>
Total Stormwater Expenditures	\$29,191,061	\$28,516,926	\$25,686,731	\$21,901,921	\$19,520,303
Excess of Stormwater Revenues over Expenditures and Other Financing Uses	\$ 607,519	\$ (251,818)	\$ 743,762	\$ 1,165,299	\$ 1,669,883
Fund Balance at Beginning of Year	\$30,344,607	\$26,262,755	\$20,400,950	\$17,721,841	\$13,310,772
Less: Fee In Lieu of Detention Pond Fund Balance at Beginning of Year	(26,460,317)	(22,126,646)	(17,008,603)	(15,227,030)	(12,224,422)
Less: Capital Expenditures	(43,241)	-0-	-0-	(267,763)	(261,421)
Plus: Fee In Lieu of Detention Pond Capital Expenditures	-0-	-0-	-0-	-0-	-0-
Stormwater Fund Balance at End of Year	<u>\$ 4,448,568</u>	<u>\$ 3,884,291</u>	<u>\$ 4,136,109</u>	<u>\$ 3,392,347</u>	<u>\$ 2,494,812</u>

\* Unaudited.

<sup>1</sup> Includes Fee in Lieu of Detention Pond, along with interest and other miscellaneous income related thereto.

<sup>2</sup> Includes transfers to SAWS for collection of the Stormwater Drainage Service Fee and to pay the costs of certain designated projects.

The ratios of total revenues to the average annual and maximum annual debt service requirements for the System are shown below:

**Coverage and Fund Balances**

**Table 2**

Fiscal Year 2007 Total Revenues Available for Debt Service Requirements*	\$29,798,580
Average Annual Debt Service Requirements	\$7,046,288
Coverage of Annual Average Debt Service Requirements	4.23
Maximum Annual Debt Service Requirements for Fiscal Year 2008	\$7,308,625
Coverage of Maximum Debt Service Requirements	4.08

\* Unaudited.

A comparison of the revenues and expenditures for the past five fiscal years and the projections for the subsequent five years is shown below.

**Historical and Projected System Operating Cashflow**

**Table 3**

Historical <sup>1</sup>	Fiscal Year Ended September 30				
	2003	2004	2005	2006	2007*
Stormwater Revenues:					
Gross Operating Revenues	\$21,049,294	\$22,091,417	\$26,272,690	\$27,619,303	\$29,382,348
Gross Non-Operating Revenues	<u>140,892</u>	<u>975,802</u>	<u>157,803</u>	<u>645,805</u>	<u>416,232</u>
Total Gross Revenues Available for Debt Service	<u>\$21,190,186</u>	<u>\$23,067,219</u>	<u>\$26,430,493</u>	<u>\$28,265,108</u>	<u>\$29,798,580</u>
The Bonds Debt Service Requirements	\$487,297	\$2,973,838	\$5,006,434	\$7,306,413	\$7,305,575
The Bonds Debt Service Coverage	N/A	7.76x	5.28x	3.87x	4.08x
Projected <sup>2</sup>	Fiscal Year Ended September 30				
	2008	2009	2010	2011	2012
Stormwater Revenues:					
Gross Operating Revenues	\$31,979,471	\$32,299,266	\$32,622,259	\$32,948,482	\$33,277,967
Gross Non-Operating Revenues	<u>143,130</u>	<u>143,130</u>	<u>143,130</u>	<u>143,130</u>	<u>143,130</u>
Total Gross Revenues Available for Debt Service	<u>\$32,122,601</u>	<u>\$32,442,396</u>	<u>\$32,765,389</u>	<u>\$33,091,612</u>	<u>\$33,421,097</u>
The Bonds Debt Service Requirements	\$7,308,625	\$7,301,638	\$7,302,038	\$7,304,500	\$7,307,919
The Bonds Debt Service Coverage	4.40x	4.44x	4.49x	4.53x	4.57x

\* Unaudited.

<sup>1</sup> Includes increases of 19.5% and 6.8% in Stormwater Drainage Fees effective December 19, 2004 and November 20, 2006, respectively.

<sup>2</sup> Includes an increase of 8.24% in Stormwater Drainage Fees effective October 1, 2007.

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Table 4 below shows the debt service payable on the Bonds.

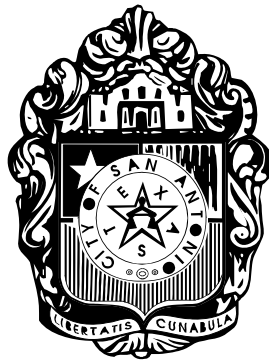
**Debt Service Schedule**

**Table 4**

Fiscal Year Ended 9/30	Series 2003			Series 2005			Total Debt Service Requirements		
	Principal	Interest	Fiscal Year Debt Service	Principal	Interest	Fiscal Year Debt Service	Principal	Interest	Fiscal Year Debt Service
2008	\$1,185,000.00	\$1,789,112.50	\$2,974,112.50	\$1,405,000.00	\$2,929,512.50	\$4,334,512.50	\$2,590,000.00	\$4,718,625.00	\$7,308,625.00
2009	1,230,000.00	1,740,812.50	2,970,812.50	1,455,000.00	2,875,825.00	4,330,825.00	2,685,000.00	4,616,637.50	7,301,637.50
2010	1,280,000.00	1,690,612.50	2,970,612.50	1,515,000.00	2,816,425.00	4,331,425.00	2,795,000.00	4,507,037.50	7,302,037.50
2011	1,335,000.00	1,634,975.00	2,969,975.00	1,580,000.00	2,754,525.00	4,334,525.00	2,915,000.00	4,389,500.00	7,304,500.00
2012	1,400,000.00	1,573,437.50	2,973,437.50	1,655,000.00	2,679,481.25	4,334,481.25	3,055,000.00	4,252,918.75	7,307,918.75
2013	1,460,000.00	1,512,737.50	2,972,737.50	1,740,000.00	2,590,362.50	4,330,362.50	3,200,000.00	4,103,100.00	7,303,100.00
2014	1,520,000.00	1,453,137.50	2,973,137.50	1,835,000.00	2,496,518.75	4,331,518.75	3,355,000.00	3,949,656.25	7,304,656.25
2015	1,580,000.00	1,391,137.50	2,971,137.50	1,935,000.00	2,397,556.25	4,332,556.25	3,515,000.00	3,788,693.75	7,303,693.75
2016	1,645,000.00	1,326,637.50	2,971,637.50	2,040,000.00	2,293,212.50	4,333,212.50	3,685,000.00	3,619,850.00	7,304,850.00
2017	1,715,000.00	1,259,437.50	2,974,437.50	2,150,000.00	2,183,225.00	4,333,225.00	3,865,000.00	3,442,662.50	7,307,662.50
2018	1,790,000.00	1,180,387.50	2,970,387.50	2,265,000.00	2,067,331.25	4,332,331.25	4,055,000.00	3,247,718.75	7,302,718.75
2019	1,885,000.00	1,088,512.50	2,973,512.50	2,385,000.00	1,945,268.75	4,330,268.75	4,270,000.00	3,033,781.25	7,303,781.25
2020	1,980,000.00	991,887.50	2,971,887.50	2,515,000.00	1,816,643.75	4,331,643.75	4,495,000.00	2,808,531.25	7,303,531.25
2021	2,080,000.00	890,387.50	2,970,387.50	2,650,000.00	1,681,062.50	4,331,062.50	4,730,000.00	2,571,450.00	7,301,450.00
2022	2,190,000.00	783,637.50	2,973,637.50	2,795,000.00	1,538,131.25	4,333,131.25	4,985,000.00	2,321,768.75	7,306,768.75
2023	2,295,000.00	675,815.63	2,970,815.63	2,945,000.00	1,387,456.25	4,332,456.25	5,240,000.00	2,063,271.88	7,303,271.88
2024	2,405,000.00	567,128.13	2,972,128.13	3,105,000.00	1,228,643.75	4,333,643.75	5,510,000.00	1,795,771.88	7,305,771.88
2025	2,520,000.00	453,237.50	2,973,237.50	3,270,000.00	1,061,300.00	4,331,300.00	5,790,000.00	1,514,537.50	7,304,537.50
2026	2,640,000.00	332,262.50	2,972,262.50	3,450,000.00	884,900.00	4,334,900.00	6,090,000.00	1,217,162.50	7,307,162.50
2027	2,770,000.00	203,775.00	2,973,775.00	3,635,000.00	698,918.75	4,333,918.75	6,405,000.00	902,693.75	7,307,693.75
2028	2,905,000.00	68,993.75	2,973,993.75	3,825,000.00	507,875.00	4,332,875.00	6,730,000.00	576,868.75	7,306,868.75
2029				4,020,000.00	311,750.00	4,331,750.00	4,020,000.00	311,750.00	4,331,750.00
2030				4,225,000.00	105,625.00	4,330,625.00	4,225,000.00	105,625.00	4,330,625.00
	<u>\$39,810,000.00</u>	<u>\$22,608,062.51</u>	<u>\$62,418,062.51</u>	<u>\$58,395,000.00</u>	<u>\$41,251,550.00</u>	<u>\$99,646,550.00</u>	<u>\$98,205,000.00</u>	<u>\$63,859,612.51</u>	<u>\$162,064,612.51</u>



# **CITY OF SAN ANTONIO, TEXAS**



## **Municipal Facilities Corporation**

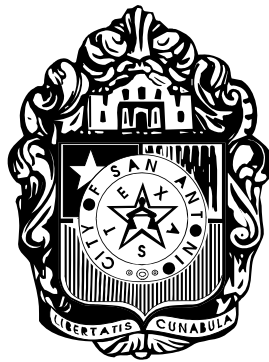
**\$14,465,000 Municipal Facilities Corporation,  
Lease Revenue Bonds, Series 2001**

**March 31, 2008**

## **MUNICIPAL FACILITIES CORPORATION, LEASE REVENUE BONDS**

Please refer to General Obligation Debt Tables 1A, 1B, 7, 16, and 17 on pages 1, 2, 7, 10, and 11 respectively for disclosure requirements related to this issuance.

**CITY OF SAN ANTONIO, TEXAS**



**Starbright Industrial Development Corporation**

**\$24,685,000 Starbright Industrial Development Corporation  
Contract Revenue Bonds, Series 2003 (Taxable) (Starbright Project)**

**March 31, 2008**

**STARBRIGHT INDUSTRIAL DEVELOPMENT CORPORATION**  
**CONTRACT REVENUE BONDS**

**Historical Revenues and Benefits Received by City from City's Electric And Gas Systems** **Table 2**

	Fiscal Years Ended September 30 <sup>1</sup>				
	2003	2004	2005	2006	2007*
Gross Benefits from CPS:	\$204,016,870	\$189,505,855	\$213,384,307	\$246,084,171 <sup>2</sup>	\$248,539,890 <sup>3</sup>
Less charges for furnishing gas and electricity to City:	<u>(23,754,739)</u>	<u>(22,360,516)</u>	<u>(22,503,163)</u>	<u>(23,303,913)</u>	<u>(23,061,967)</u>
Net Cash:	<u>\$180,262,131</u>	<u>\$167,145,339</u>	<u>\$190,881,144</u>	<u>\$222,780,258</u> <sup>2</sup>	<u>\$225,477,923</u> <sup>3</sup>

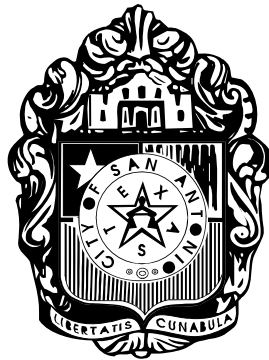
\* Unaudited.

<sup>1</sup> Note: The information shown in Table 2 lists the revenues and benefits received by the City from CPS during the respective fiscal years of the City.

<sup>2</sup> Includes an additional transfer of \$8,438,363.

<sup>3</sup> Includes an additional transfer of \$8,294,548; and includes the sale of Lignite Property in the amount of \$3,005,324.

# **CITY OF SAN ANTONIO, TEXAS**



## **Convention Center Hotel Finance Corporation**

**\$129,930,000 Contract Revenue Empowerment Zone Bonds, Series 2005A  
(AMT Bonds)**

**\$78,215,000 Contract Revenue Bonds,  
Taxable Series 2005B**

**March 31, 2008**

**CONVENTION CENTER HOTEL FINANCE CORPORATION CONTRACT REVENUE BONDS**

**\$129,930,000 Contract Revenue Empowerment Zone Bonds, Series 2005A (AMT Bonds)**

**\$78,215,000 Contract Revenue Bonds,  
Taxable Series 2005B**

Please refer to Tables 5, 6, and 9 that follow and to the Hotel Occupancy Tax Revenue Bonds Tables 1, 3, 4, and 5 respectively, for disclosure requirements related to these issuances.

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# Projected Cash Flow Summary of City of San Antonio, Texas Convention Center Hotel

Table 5

## CITY OF SAN ANTONIO, TEXAS CONVENTION CENTER HOTEL FINANCE CORPORATION

Contract Revenue Empowerment Zone Bonds, Series 2005A (AMT Bonds) & Contract Revenue Bonds, Taxable Series 2005B

Operating Statistics and Forecasted Revenues, Expenditures, Net Income and Coverage Ratios  
for the Years Ending December 31, as shown

OPERATING STATISTICS:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Available Rooms (Daily)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Available Rooms (Annually)	326,472	365,000	365,000	365,000	365,000	365,000	365,000	365,000	365,000	365,000
Occupied Rooms (Annually)	215,472	259,150	273,750	277,400	277,400	277,400	277,400	277,400	277,400	277,400
Occupancy Percentage	66.00%	71.00%	75.00%	76.00%	76.00%	76.00%	76.00%	76.00%	76.00%	76.00%
Average Room Rate	\$155.79	\$162.11	\$169.48	\$175.28	\$180.53	\$185.95	\$191.53	\$197.27	\$203.19	\$209.29
Revenue Per Occupied Room (RevPAR)	\$102.82	\$115.09	\$127.11	\$133.21	\$137.21	\$141.32	\$145.56	\$149.93	\$154.43	\$159.06
(\$000s)										
REVENUES:										
Rooms	\$33,509	\$42,010	\$46,396	\$48,621	\$50,080	\$51,582	\$53,130	\$54,724	\$56,366	\$58,056
Food/Beverage	15,075	18,343	19,678	20,470	21,084	21,717	22,368	23,039	23,730	24,442
Telephone	799	983	1,064	1,109	1,142	1,176	1,212	1,248	1,285	1,324
Garage/Parking	536	630	660	682	703	724	746	768	791	815
Other Income	1,874	2,207	2,309	2,388	2,460	2,534	2,610	2,688	2,769	2,852
Total Revenues	\$51,794	\$64,173	\$70,107	\$73,270	\$75,469	\$77,733	\$80,066	\$82,467	\$84,941	\$87,489
DEPARTMENTAL EXPENSES:										
Rooms	\$8,280	\$9,817	\$10,330	\$10,697	\$11,018	\$11,348	\$11,689	\$12,039	\$12,400	\$12,772
Food/Beverage	11,188	13,207	13,850	14,329	14,759	15,202	15,658	16,127	16,611	17,110
Telephone	673	796	836	865	891	918	945	973	1,003	1,033
Garage/Parking	345	399	411	423	436	449	462	476	490	505
Other Expenses	1,061	1,231	1,274	1,313	1,353	1,393	1,435	1,478	1,523	1,568
Total Departmental Expenses	\$21,548	\$25,450	\$26,701	\$27,627	\$28,457	\$29,310	\$30,189	\$31,093	\$32,027	\$32,988
DEPARTMENTAL INCOME:	\$30,247	\$38,723	\$43,406	\$45,643	\$47,012	\$48,423	\$49,877	\$51,374	\$52,914	\$54,501
UNDISTRIBUTED OPERATING EXPENSES:										
Administration & General	\$3,399	\$3,986	\$4,164	\$4,305	\$4,434	\$4,567	\$4,704	\$4,845	\$4,990	\$5,140
Marketing Fees	4,369	5,124	5,354	5,534	5,700	5,871	6,048	6,229	6,416	6,608
Property Operations & Maintenance	2,428	2,847	2,974	3,075	3,167	3,262	3,360	3,461	3,564	3,671
Energy	1,553	1,822	1,904	1,968	2,027	2,088	2,150	2,215	2,281	2,350
Total Deductions	\$11,749	\$13,779	\$14,396	\$14,882	\$15,328	\$15,788	\$16,262	\$16,750	\$17,251	\$17,769
HOUSE PROFIT	\$18,497	\$24,944	\$29,010	\$30,761	\$31,684	\$32,635	\$33,615	\$34,624	\$35,663	\$36,732
OTHER DEDUCTIONS										
Management Fees	\$1,327	\$1,925	\$2,454	\$2,564	\$2,641	\$2,721	\$2,802	\$2,886	\$2,973	\$3,062
Property Taxes	2,582	2,686	2,726	2,767	2,850	2,936	3,024	3,114	3,208	3,304
Insurance	724	835	860	886	912	939	968	997	1,027	1,057
Reserve for Replacement	518	1,230	2,045	2,198	2,956	3,109	3,203	3,299	3,398	3,500
Total	\$5,151	\$6,676	\$8,085	\$8,415	\$9,359	\$9,705	\$9,997	\$10,296	\$10,606	\$10,923
NET INCOME (1)	\$13,347	\$18,268	\$20,925	\$22,346	\$22,325	\$22,930	\$23,618	\$24,328	\$25,057	\$25,809
INVESTMENT EARNINGS: (2)										
Debt Service Reserve Fund - Empowerment Zone Bonds	\$53	\$114	\$114	\$114	\$114	\$114	\$114	\$114	\$114	\$114
Debt Service Reserve Fund - Taxable Bonds	18	39	39	39	39	39	39	39	39	39
Total Investment Earnings	\$71	\$153	\$153	\$153	\$153	\$153	\$153	\$153	\$153	\$153
TOTAL HOTEL REVENUES AVAILABLE FOR DEBT SERVICE	\$13,417	\$18,421	\$21,078	\$22,499	\$22,478	\$23,083	\$23,771	\$24,481	\$25,210	\$25,962
EMPOWERMENT ZONE BONDS DEBT SERVICE:										
Gross Debt Service	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435
Less: Capitalized Interest	3,879	0	0	0	0	0	0	0	0	0
Net Empowerment Zone Debt Service	\$2,556	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435	\$6,435
TAXABLE BONDS DEBT SERVICE:										
Gross Debt Service	\$4,007	\$4,998	\$6,191	\$6,264	\$6,337	\$6,412	\$6,491	\$6,572	\$6,650	\$6,728
Less: Capitalized Interest	2,415	0	0	0	0	0	0	0	0	0
Net Taxable Debt Service	\$1,592	\$4,998	\$6,191	\$6,264	\$6,337	\$6,412	\$6,491	\$6,572	\$6,650	\$6,728
TOTAL DEBT SERVICE	\$4,148	\$11,433	\$12,626	\$12,699	\$12,772	\$12,847	\$12,927	\$13,007	\$13,086	\$13,163
TOTAL CASH FLOW AFTER DEBT SERVICE	\$9,269	\$6,988	\$8,453	\$9,800	\$9,706	\$10,236	\$10,844	\$11,474	\$12,125	\$12,799
CASH FLOW AVAILABLE FOR DISTRIBUTION	\$9,269	\$6,988	\$8,453	\$9,800	\$9,706	\$10,236	\$10,844	\$11,474	\$12,125	\$12,799
PREFERRED EQUITY RETURN FUND (12%) (3)	\$8,291	\$6,988	\$8,453	\$9,800	\$9,706	\$9,923	\$10,484	\$9,605	\$9,280	\$9,280
BASIC RENTAL FUND (4)	\$0	\$0	\$0	\$0	\$0	\$313	\$361	\$371	\$382	\$394
CITY TAX CONTRIBUTION REPAYMENT FUND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURPLUS REVENUE FUND	\$978	\$0	\$0	\$0	\$0	\$0	\$0	\$1,497	\$2,462	\$3,125
INCENTIVE OPERATOR FEE FUND (5)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$225	\$369	\$469
REVENUE SHARING FUND:										
Developer Revenue Share (90%)	\$881	\$0	\$0	\$0	\$0	\$0	\$0	\$1,145	\$1,884	\$2,391
City Revenue Share (10%)	98	0	0	0	0	0	0	127	209	266
Total Revenue Sharing	\$978	\$0	\$0	\$0	\$0	\$0	\$0	\$1,273	\$2,093	\$2,656
SUMMARY OF TAX REVENUES										
State HOT Revenues (Room Revs x 6%)	\$2,011	\$2,521	\$2,784	\$2,917	\$3,005	\$3,095	\$3,188	\$3,283	\$3,382	\$3,483
State Sales Tax Revenues (Food & Bev, Telephone and Parking x 6.25%)	1,026	1,247	1,338	1,391	1,433	1,476	1,520	1,566	1,613	1,661
Local HOT Revenues (Room Revs x 7%)	2,346	2,941	3,248	3,403	3,506	3,611	3,719	3,831	3,946	4,064
Expansion HOT Revenues (City-wide) (6)	11,818	12,211	12,526	12,803	13,069	13,340	13,617	13,897	14,177	14,457
Total Tax Revenues	\$17,200	\$18,920	\$19,895	\$20,515	\$21,012	\$21,522	\$22,044	\$22,597	\$23,178	\$23,765
DEBT SERVICE COVERAGE ANALYSIS										
Debt Service Coverage (7)	3.23	1.61	1.67	1.77	1.76	1.80	1.84	1.88	1.93	1.97
Debt Service Coverage with State Tax Revenues (8)	3.97	1.94	2.00	2.11	2.11	2.15	2.20	2.25	2.31	2.36
Debt Service Coverage with State & Local HOT Revenues (9)	4.53	2.20	2.25	2.38	2.38	2.43	2.49	2.55	2.61	2.67
Debt Service Coverage with State, Local HOT & Expansion HOT Revenues (10)	7.38	3.27	3.25	3.39	3.41	3.47	3.54	3.60	3.65	3.71

## NOTES:

(1) As provided by HVS through 2017. First Operating Year Represents 322 day Period.

(2) Assumes Interest Earnings of 4.14% for the Debt Service Reserve Funds.

(3) Equal to the Preferred Return Rate Times Total Equity Contribution Plus Any Accrued Preferred Return Owed.

(4) Basic Rental of \$350,000 Beginning Five Lease Years after Opening Year and Escalating at 3.0% Thereafter. 2013 Basic Rental Fee is pro-rated to a 322 day Period.

(5) Incentive Operator Fee, when Net Income is greater than \$24,000,000, is Equal to 15% of the Cash Flow Available for Distribution less the Preferred Equity Return less Basic Rental.

(6) Please see Table 6 of the Official Statement for a detailed description.

(7) Total Hotel Revenues Available for Debt Service divided by Total Debt Service.

(8) Total Hotel Revenues Available for Debt Service Plus State Tax Revenues divided by Total Debt Service.

(9) Total Hotel Revenues Available for Debt Service Plus State and Local HOT Revenues divided by Total Debt Service.

(10) Total Hotel Revenues Available for Debt Service Plus State, Local HOT and Expansion HOT Revenues divided by Total Debt Service.

**Projected Available City Tax Revenues for Credit Support of Debt Service**

**Table 6**

Fiscal Year Ended 9/30	Project Specific Revenues				Citywide 2.00% Expansion HOT Revenues*	Combined Total City Tax Revenues
	6.00% State HOT Revenue	6.25% State Sales Tax Revenue	7.00% Local HOT Revenue	Total Hotel Project Specific Revenue		
2006 <sup>1</sup>					\$ 13,045,814	\$ 13,045,814
2007 <sup>2</sup>					14,464,122	14,464,122
2008	\$ 2,010,568	\$ 1,025,643	\$ 2,345,663	\$ 5,381,874	11,818,189	17,200,063
2009	2,520,600	1,247,250	2,940,700	6,708,550	12,211,160	18,919,710
2010	2,783,760	1,337,625	3,247,720	7,369,105	12,526,299	19,895,404
2011	2,917,260	1,391,313	3,403,470	7,712,043	12,802,767	20,514,810
2012	3,004,800	1,433,063	3,505,600	7,943,463	13,068,554	21,012,017
2013	3,094,920	1,476,063	3,610,740	8,181,723	13,339,933	21,521,656
2014	3,187,800	1,520,375	3,719,100	8,427,275	13,617,059	22,044,334
2015	3,283,440	1,565,938	3,830,680	8,680,058	13,617,059	22,297,117
2016	3,381,960	1,612,875	3,945,620	8,940,455	13,617,059	22,557,514
2017	3,483,360	1,661,313	4,063,920	9,208,593	13,617,059	22,825,652
2018	0	0	4,185,838	4,185,838	13,617,059	17,802,897
2019	0	0	4,311,413	4,311,413	13,617,059	17,928,472
2020	0	0	4,440,755	4,440,755	13,617,059	18,057,814
2021	0	0	4,573,978	4,573,978	13,617,059	18,191,037
2022	0	0	4,711,197	4,711,197	13,617,059	18,328,256
2023	0	0	4,852,533	4,852,533	13,617,059	18,469,592
2024	0	0	4,998,109	4,998,109	13,617,059	18,615,168
2025	0	0	5,148,052	5,148,052	13,617,059	18,765,111
2026	0	0	5,302,494	5,302,494	13,617,059	18,919,553
2027	0	0	5,461,569	5,461,569	13,617,059	19,078,628
2028	0	0	5,625,416	5,625,416	13,617,059	19,242,475
2029	0	0	5,794,178	5,794,178	13,617,059	19,411,237
2030	0	0	5,968,004	5,968,004	13,617,059	19,585,063
2031	0	0	6,147,044	6,147,044	13,617,059	19,764,103
2032	0	0	6,331,455	6,331,455	13,617,059	19,948,514
2033	0	0	6,521,399	6,521,399	13,617,059	20,138,458
2034	0	0	6,717,041	6,717,041	13,617,059	20,334,100
2035	0	0	6,918,552	6,918,552	13,617,059	20,535,611
2036	0	0	7,126,108	7,126,108	13,617,059	20,743,167
2037	0	0	7,339,892	7,339,892	13,617,059	20,956,951
2038	0	0	7,560,088	7,560,088	13,617,059	21,177,147
2039	0	0	7,786,891	7,786,891	13,617,059	21,403,950
Total	<u>\$29,668,468</u>	<u>\$14,271,458</u>	<u>\$162,435,219</u>	<u>\$206,375,145</u>	<u>\$457,320,372</u>	<u>\$663,695,517</u>

\* Citywide available 2.00% Expansion HOT, as reported from the City for fiscal year 2004, grown at 2.00% through 2014 and includes the incremental 2.00% Expansion HOT Tax derived from the proposed project.

<sup>1</sup> Fiscal year 2006 based on actual audited.

<sup>2</sup> Fiscal year 2007 based on actual unaudited.



**Historical Municipal Hotel Occupancy Tax Receipts (As of fiscal year ended September 30, for the years indicated.)**

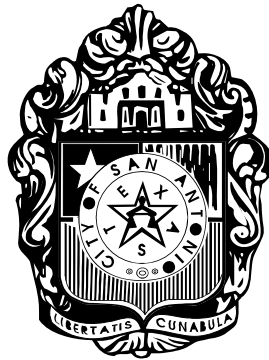
**7% Local Hotel Occupancy Tax Collections**

**Table 9**

<u>Month</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007*</u>
October	\$ 2,051,678.51	\$ 2,274,713.39	\$ 2,616,077.95	\$ 2,381,790.79	\$ 1,586,123.89	\$ 2,008,478.20	\$ 1,885,077.18	\$1,822,117.77	\$3,064,008.36	\$3,127,132.66
November	3,148,224.46	3,097,352.71	2,240,307.48	2,792,443.97	2,787,182.39	2,860,273.53	2,711,127.76	3,741,177.90	3,004,032.76	4,151,623.40
December	1,926,441.43	1,631,429.48	2,374,381.86	2,437,076.58	2,043,182.42	2,143,765.32	2,372,587.93	2,425,948.12	3,626,069.36	4,302,610.17
January	1,681,020.34	1,606,029.72	2,387,689.38	2,512,603.88	2,203,507.00	2,070,585.36	1,943,197.79	1,916,179.92	2,684,911.58	3,263,450.50
February	1,862,229.98	2,164,623.68	1,870,427.89	1,766,184.70	1,826,113.65	1,890,112.41	2,377,750.85	1,964,355.05	2,725,420.57	2,901,503.78
March	2,972,110.09	2,906,723.65	3,195,700.57	2,966,807.12	3,252,231.09	2,712,203.84	2,766,311.72	3,282,824.46	3,685,089.68	3,213,005.74
April	4,125,531.44	4,097,085.43	3,997,631.94	4,717,652.80	4,740,125.37	4,175,553.58	4,412,339.92	4,784,515.54	5,162,980.85	6,026,278.57
May	2,579,196.59	3,047,637.35	3,759,744.43	3,533,682.61	3,900,927.15	3,677,793.70	4,449,886.45	4,634,950.89	5,269,545.05	5,649,669.13
June	2,459,558.92	2,744,188.20	3,022,578.51	2,861,511.99	3,325,266.36	3,113,104.21	3,117,312.40	4,105,465.38	4,615,973.27	4,340,688.11
July	2,643,837.14	2,796,978.46	3,053,588.85	3,354,276.95	3,289,876.46	3,331,068.00	2,988,183.23	4,150,179.76	4,497,483.88	4,395,194.36
August	3,250,355.66	2,980,000.11	3,311,845.98	3,397,374.63	3,330,793.37	3,685,549.51	3,724,446.47	4,347,950.84	4,549,058.92	5,216,450.53
September	<u>1,826,517.64</u>	<u>1,897,024.41</u>	<u>2,474,254.45</u>	<u>3,107,903.39</u>	<u>2,721,104.35</u>	<u>3,046,470.90</u>	<u>3,295,479.96</u>	<u>2,915,231.58</u>	<u>3,938,811.14</u>	<u>4,037,400.35</u>
	<u>\$30,526,702.20</u>	<u>\$31,243,786.59</u>	<u>\$34,304,229.29</u>	<u>\$35,829,309.41</u>	<u>\$35,006,433.50</u>	<u>\$34,714,958.56</u>	<u>\$36,043,701.66</u>	<u>\$40,090,897.21</u>	<u>\$46,823,385.42</u>	<u>\$50,625,007.30</u>

\* Unaudited.

# **CITY OF SAN ANTONIO, TEXAS**



**Obligations Defeased During  
April 1, 2007 – March 31, 2008**

**Appendix 1**

Exhibit A

NOTICE OF REDEMPTION

To the Holders of the  
**CITY OF SAN ANTONIO, TEXAS**  
**TAX NOTES, SERIES 2007**  
**(Maturing on August 15, 2010)**

NOTICE IS HEREBY GIVEN that the City of San Antonio, Texas, in Bexar County, Texas (the "City") has called for redemption at par on ***January 24, 2008*** all of the City's outstanding *Tax Notes, Series 2007*, dated June 1, 2007, maturing on August 15, 2010, being further identified as *CUSIP No. 796237 NB7* (the "Redeemed Notes").

NOTICE IS FURTHER GIVEN that the Redeemed Notes shall be redeemed and shall become due and payable on January 24, 2008 and the interest thereon shall cease to accrue from and after January 24, 2008.

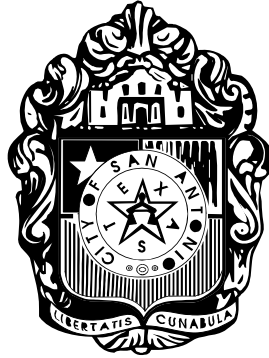
NOTICE IS FURTHER GIVEN THAT the Redeemed Notes will be payable at and should be submitted either in person or by certified or registered mail to the following address:

The Bank of New York Trust Company, National Association  
2001 Bryan Street, 8th Floor  
Dallas, TX 75201

TO AVOID A 30% WITHHOLDING TAX REQUIRED BY FEDERAL LAW, HOLDERS MUST SUBMIT A PROPERLY COMPLETED IRS FORM W-9.

\* THE ABOVE REFERENCED CUSIP NUMBER IS PROVIDED FOR THE CONVENIENCE OF THE NOTEHOLDERS. NEITHER THE PAYING AGENT NOR THE CITY IS RESPONSIBLE FOR ANY ERROR OF ANY NATURE RELATING TO CUSIP NUMBERS.

# **CITY OF SAN ANTONIO, TEXAS**



## **Nationally Recognized Municipal Securities Information Repository Address List**

### **Appendix 2**

Any filing under this continuing disclosure agreement will be made solely by transmitting such filing to the Texas Municipal Advisory Council (the "MAC") as provided at [www.DisclosureUSA.org](http://www.DisclosureUSA.org) ("DisclosureUSA") unless the United States Securities and Exchange Commission ("SEC") has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004. The Municipal Advisory Council of Texas (the "MAC") has been designated by the State of Texas and approved by the SEC staff as a qualified SID. The MAC has also received SEC approval to operate, and has begun to operate, a "central post office" for information filings made by municipal issuers, such as the City. A municipal issuer may submit its information filings with the central post office, which then transmits such information to the NRMSIRs and the appropriate SID for filing. This central post office can be accessed and utilized at DisclosureUSA. The City may utilize DisclosureUSA for the filing of information relating to its outstanding debt obligations that are subject to Rule 15c2-12.

## **State Information Depositories (SID)**

### **Municipal Advisory Council of Texas**

P.O. Box 2177

Austin, Texas 78768-2177

Phone: (512) 476-6947

Fax: (512) 476-6403

<http://www.mactexas.com>

Email for filings: [mac@mactexas.com](mailto:mac@mactexas.com)

Physical Mailing Address: 600 W. 8<sup>th</sup> Street

Austin, TX 78701

## **Nationally Recognized Municipal Securities Information Repositories (NRMSIR)**

### **Bloomberg Municipal Repository**

100 Business Park Drive

Skillman, New Jersey 08558

Phone: (609) 279-3225

Fax: (609) 279-5962

<http://www.bloomberg.com/markets/rates/municontacts.html>

Email: [Munis@Bloomberg.com](mailto:Munis@Bloomberg.com)

### **DPC Data Inc.**

One Executive Drive

Fort Lee, NJ 07024

Phone: (201) 346-0701

Fax: (201) 947-0107

<http://www.dpcdata.com>

Email: [nrmsir@dpcdata.com](mailto:nrmsir@dpcdata.com)

### **FT Interactive Data**

Attn: NRMSIR

100 William Street, 15<sup>th</sup> Floor

New York, New York 10038

Phone: (212) 771-6999; 800-689-8466

Fax: (212) 771-7390

<http://www.ftid.com>

Email: [NRMSIR@interactivedata.com](mailto:NRMSIR@interactivedata.com)

### **Standard & Poor's Securities Evaluations, Inc.**

55 Water Street

45th Floor

New York, NY 10041

Phone: (212) 438-4595

Fax: (212) 438-3975

[http://www.jjkenny.com/jjkenny/pser\\_descrip\\_data\\_rep.html](http://www.jjkenny.com/jjkenny/pser_descrip_data_rep.html)

Email: [nrmsir\\_repository@sandp.com](mailto:nrmsir_repository@sandp.com)